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**STANDING COMMITTEE ON RAILWAYS
(2004-05)**

FOURTEENTH LOK SABHA

**MINISTRY OF RAILWAYS
(RAILWAY BOARD)**

**RAIL NETWORK IN NORTH EAST REGION – EXPANSION
AND INVESTMENT**

SIXTH REPORT



**LOK SABHA SECRETARIAT
NEW DELHI**

March, 2005/Phalguna, 1926 (Saka)

SCR No. 85

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MINISTRY OF RAILWAYS
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AND INVESTMENT**

Presented to Lok Sabha on 02.03.2005
Laid in Rajya Sabha on 01.03.2005



LOK SABHA SECRETARIAT
NEW DELHI

March, 2005/Phalguna, 1926 (Saka)

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held on 15.12.2004

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held on 07.02.2005

COMPOSITION

STANDING COMMITTEE ON RAILWAY (2004-05)

Shri Basudeb Acharia - **Chairman**

MEMBERS **LOK SABHA**

2. Shri A.Sai Prathap
3. Shri Dharendra Agarwal
4. Shri Atique Ahamad
5. Shri Ajaya Kumar
6. Shri Subrata Bose
7. Shri Bapu Hari Chaure
8. Shri Kishan Lal Diler
9. Shri Giridhar Gamang
10. Shri Pradeep Gandhi
11. Smt. Paramjit Kaur Gulshan
12. Shri Anwar Hussain
13. Shri Mahesh Kanodia
14. Shri C. Kuppusami
15. Smt. Kalpana R. Narhire
16. Shri Rajendrasinh Rana
17. Shri Kishan Singh Sangwan
18. Shri Iqbal Ahmed Saradgi
19. Dr. Arun Kumar Sarma
20. Ch. Lal Singh
21. Mohd. Tahir

RAJYA SABHA

22. Smt. Kamla Manhar
23. Shri Karnendu Bhatttcharjee
24. Maulana Obaidullah Khan Azmi
25. Shri Lalit Kishore Chaturvedi
26. Shri Su. Thirunavukkarasar
27. Shri Tarini Kanta Roy
28. Shri R. Kamraj
29. Shri Isam Singh
30. Shri Harendra Singh Malik
31. Shri Abani Roy

LOK SABHA SECRETARIAT

1. Shri P.D.T. Achary - Secretary
2. Dr.(Smt.) P.K. Sandhu - Joint Secretary
3. Shri V.S. Negi - Deputy Secretary
4. Smt Abha Singh Yaduvanshi - Under Secretary
5. Shri Pankaj Kumar Sharma - Sr. Executive Assistant

INTRODUCTION

I, the Chairman of the Standing Committee on Railways (2004-05), having been authorised by the Committee to present the Report on their behalf, present this Sixth Report of the Committee on 'Rail Network in North East Region – Expansion and Investment'.

2. The Committee took evidence of the representatives of the Ministry of Railways on 15.12.2004 and 05.01.2005.

3. The Committee considered and adopted the Report at their sitting held on 07.02.2005. Minutes of the sittings held on 15.12.2004, 05.01.2005 and 07.02.2005 form Part-II of the Report.

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 'Rail Network in North East Region – Expansion and Investment' and sharing with them the issues concerning the subject which came up for discussion during evidence.

NEW DELHI;
25th February, 2005
6 Phalguna, 1926 Saka

BASUDEB ACHARIA
Chairman,
Standing Committee on Railways

CHAPTER-1

REPORT

Introductory

1.1 Northeast Region (NER) comprises seven sister States of Arunachal Pradesh, Assam, Meghalaya, Nagaland, Manipur, Tripura and Mizoram and Sikkim. The total geographical area and population of Northeast is 2,62,184 square kms. and 3,90,41,167 crores respectively.

1.2 The entire Northeast region is strategically located. The significance of the region also lies in its being gateway to East and Southeast Asia. However, the Northeast region is characterized by low level of economic development. The mode of transport and communication are not developed to the desired level resulting in lack of economic and industrial development of the region. The Railways being the principal mode of transport and communication in the country can act as catalyst for socio-economic development of the region. Therefore, there is a need to expand the rail network in the Northeast region. The State capitals of as many as seven States including Sikkim are still not connected with the rail. Unless there is a railway line and States are linked with better rail infrastructure, the industrialization and economic development cannot take place to desired level.

1.3 As on 01.04.2004 the total route length (kms) of BG and MG in Northeast region was 1239 km. and 1360 km. respectively. At present there is no Narrow Gauge and electrified rail line in the region. For the development of rail infrastructure as well as to meet the demand of the region, a number of Railway projects had been undertaken and completed. Since 1992-93, 163 kms. of New Lines and 829 kms. of gauge conversion have been completed in the region. There are at present 6 New Lines and 5 Gauge Conversion Projects in progress with a total throw forward of Rs. 6494 crore (New Lines Rs.3571 crore and Broad Gauge Rs.2923 crore) as on 01.04.2004. On completion of these projects, 514 and 1210 Broad Gauge kms will get added to the existing network. About Rs.400 crore are being spent annually by the Railways on these projects from the budgetary support received from the General Exchequer which according to the Railways is much above the prescribed guidelines of 10% investment.

Northeast Frontier Railway

1.4 The entire Northeast region falls under the Zonal jurisdiction of Northeast Frontier (NF) Railway. Out of the five divisions of NF Railway, 3 divisions viz. Rangia, Lumding and Tinsukia are located in the Northeast region.

1.5 The Northeast Frontier(NF) Railway has its historical roots in the former Assam Railway & Trading Company, Assam Bengal Railways and Eastern Bengal Railways. During the reorganization of Railway Zones in 1953, Assam Railway and Avadh-Tirhut Railway were merged to form the North Eastern Railway with headquarters at Gorakhpur. The NF Railway system was carved out of the North Eastern Railway on 15th January, 1958 and based at Maligaon, Guwahati at the foothills of ‘Nilanchal Parbat’.

1.6 NF Railway has the unique distinction of serving as many as ten States of the Indian Union viz., Arunachal Pradesh, Assam, Bihar, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim, Tripura and West Bengal. Besides, it also serves as a rail head for the Himalayan kingdoms of Nepal and Bhutan and provides interchange facilities with Bangladesh Railway.

Investment in Northeast Region

1.7 On 27.10.1996, the then Prime Minister (Shri H.D. Deve Gowda) announced “New Initiatives for the North Eastern Region. The “New Initiatives” envisaged inter-alia that all the Union Ministries and Departments would earmark 10% of their Budget for the specific programmes in the North Eastern States.

1.8 Later on, a Non lapsable Central Pool of Resources was constituted in 1998-99 to support specific projects in the Northeast and Sikkim. All Ministries/Department are required to contribute funds to the Central pool to the extent of shortfall in expenditure with reference to 10% earmarked funds for the North East. There is an Institutionalised arrangement to administer Central Pool of Resources. A Committee under the chairmanship of Secretary, Ministry of Development of Northeast Region (DoNER) has been constituted for this purpose.

Allotment/Expenditure in N.E. Region

1.9 As per the Railways they have been spending 10% of the budgetary support in the Northeast Region. The allotment/expenditure in the region in the last 2 years and allocation during the current financial year has been as under:-

2002-2003 - Rs.441 crore (11.27% of budgetary support available for general distribution).

- 2003-2004** - Rs.483.03 crore (RE)/ Rs.583.39 crore (final modification – 14.42% of budgetary support available for general distribution.
- 2004-2005** - Outlay Rs.366.69 crore (10.05% of budgetary support available for general distribution)

1.10 However during the evidence the Committee observed that the Railways are spending 10% of the budgetary support available to them from the Central Exchequer and not 10% of the total Railway Budget which includes inter-alia the internal generation of the Railways. Budgetary support available for general distribution is the amount available after excluding diesel cess, contribution to Special Railway Safety Fund (SRSF), funds allotted for the National Project and funds for externally aided projects.

1.11 In this connection, the Financial Commissioner during the evidence elaborated as under:-

“In arriving at the budgetary allocation meant for the Northeastern region, to calculate the 10%, project specific amounts will have to be necessarily taken out. Funds provided for National Projects have to be spent on the National Project. The Special Railway Safety Fund already has got the sanctioned works which are kept in the Green Book and therefore, this fund is also taken out. Whatever works are there in the North East Region including Northeast Frontier Railway, the allocation will be made depending upon the requirement projected by the Zonal Railways and fund is released out of this based on demands projected. The Diesel cess has to be spent on road over bridges and road under bridges and manning of level crossing works obtaining in the Pink Book pertaining to various Zonal Railways, allocation will be made depending upon the demands of respective Zonal Railways and also progress of work. Therefore, in arriving at the 10 percent we are excluding project specific allocation and whatever balance is left on that 10%, we are allocating to the Northeastern region as per the principle we had set. This has been done in consultation and the approval of the Ministry of Home Affairs, therefore, we are strictly following the guidelines for allocation to Northeastern region from the budgetary support”.

1.12 The Financial Commissioner further added:

“Regarding the internal generation for North-East Frontier Railway, they have got a revenue budget. Whatever requirements they are projecting consistent with the overall availability and overall resource position, whatever demands they are making for the revenue grants, that is being allocated. No cut is made. Whatever requirement they are

asking for is fully met with and there has been no discrimination or distinction between the various regions.”

1.13 In response to the query of the Committee as to how much money, Ministry of Railways have got from Non-lapsable Central Pool of resources, constituted in 1998-99 to support specific projects in the Northeast and Sikkim, the representatives of the Railway Board submitted that Railways have not got anything from the Non- lapsable Central Pool of resources though the Railways had approached the Ministry of development of Northeast region(DONER) on many occasions for funds out of Central Pool of resources on the ground that the total availability of funds was not very high in the Central Pool of resources and the DONER would like to spend it on small projects.

National Projects

1.14 During the examination of the subject the Committee were informed that two of the ongoing mega projects of North East Region namely Lumding-Silchar-Jiribam- 292 kms. gauge conversion project costing Rs.1496 crore and Kumarghat-Agartala- 109 km. New Line project costing Rs.700 crore have been approved as National Project by the Prime Minister. Additional funds over and above the normal gross budgetary support will be provided to these projects as an additionality so as to complete these works within targeted period.

1.15 With regard to the utilization of the amount allocated for these National projects, the representative of the Ministry of Railways stated:-

“Additional funds for these projects would start flowing from next year. They have given the clearance but the additional funds over and above our budgetary support would start flowing from next year. We are prepared to spend whatever amount is promised. We have given some commitment year-wise as to what shall be the money given from our General Budgetary Support and what shall be the amount we would be obtaining over and above that. We have given our requirement from the next year.”

Requirement of funds is as under:

| Year | Kumarghat-Agartala new line | | | Lumdign-Silchar-Jiribam gauge conversion | | |
|-------------|--|---|---|---|---|---|
| | Total require ment Of funds | Through normal Railway. Funds* | Additionality to budgetary support | Total require ment of funds | Through normal Railway. Funds* | Additionality to budgetary support |
| 04-05 | 80 | 80 | 0 | 70 | 70 | 0 |

(Rs. in crore)

| | | | | | | |
|-------|-----|-----|----|------|-----|------|
| 05-06 | 100 | 90 | 10 | 255 | 100 | 155 |
| 06-07 | 176 | 100 | 76 | 371 | 125 | 246 |
| 07-08 | | | | 420 | 125 | 295 |
| 08-09 | | | | 442 | 125 | 317 |
| Total | 356 | 270 | 86 | 1558 | 545 | 1013 |

* From General Budgetary Support.

1.16 The target date for completion of these two projects is as under:-

| | |
|--|------------------------------|
| Kumarghat-Agartala new line | - 31 st March, 07 |
| Lumding-Silchar-Jiribam Gauge conversion | - 31 st March, 09 |

1.17 The Ministry of Railways representatives also apprised the Committee that out of 245 projects being handled by the Indian Railways currently, only three projects have been declared as National Projects of which two are in Northeast region.

1.18 On being advised by the Committee to pursue the matter of declaration of other major projects in Northeast region also as National Projects the representatives of the Ministry of Railways informed the Committee that recently New Line Jiribam to Imphal (Tupul) 97.9 kms costing Rs. 727.56 crore has also been proposed for declaration as a National project.

CHAPTER - II

Ongoing Projects in Northeast Region for Expansion of Railway Network

2.1 Since 1992-93, the following 1020 kms (including 181 kms. of New Jalpaiguri–Samuktala Road Section in West Bengal) of Gauge Conversion and 163 kms. of New Lines have been completed in the Northeast region.

1. Guwahati -Jogighopa New Line (142 kms.)
2. Guwahati-Lumding gauge conversion including Chaparmukh –Haibargaon (202 kms.)
3. Guwahati-Lumding-Dibrugarh and linked fingers (620 km.)
4. Kumarghat-Manu (21 kms) of Kumarghat-Agartala New Line
5. New Jalpaiguri/Siliguri – Samuktala Road (198 kms)

2.2 At present 6 new lines and 5 gauge conversion projects with total throwforward of Rs.6494 crore are under execution in the region which on completion would convert most of the meter gauge lines into the broad gauge and provide connectivity to State capitals of Arunachal Pradesh, Manipur and Tripura. Surveys have also been conducted/being conducted for connecting State capitals of Nagaland, Mizoram and Meghalaya.

The Summary of ongoing projects in the region is as under:-

| Description | New Line | Gauge Conversion | Total |
|--|----------|------------------|--------|
| Projects in progress | 6 | 5 | 11 |
| Throw-forward as on 01.04.04 (Rs. in crore) | 3571 | 2923 | 6494 |
| BG KMs which will get added in the region on completion of ongoing works | 514 | 1210 | 1724 |
| Budget Outlay 2004-05 (Rs. in crore) | 187.99 | 105 | 292.99 |

New Lines

2.3 Six New Line projects involving more than Rs.4000 crore are under various stages of construction in the North East Region. Which will add about 514 kms of Railway line on completion to the existing rail network in Northeast region. The status of these ongoing project are as under:-

- (i) **Jiribam-Imphal (Tupul) Project**

2.4 This project was sanctioned in the year 2003-04 and included in the Budget in the same year. The ROR was 19.39%. No completion target has been fixed. The original estimated cost was Rs.727.56 crore. The preparation of plans and estimates has been taken up.

2.5 On being asked about the reasons for delay of more than a year in preparation of estimates/plans and when the work would be started, the Chairman, Railway Board explained:-

“Whatever work we sanction, we go for a final location survey and that takes time. For a project of this magnitude, where the terrain is a little treacherous, we take anything between one year to fifteen months. The final location surveys is in hand. We have set the target as June or at the latest by July of this year. By that time, we want to prepare our estimates.”

2.6 He further added:

“As soon as our estimate is ready, then we start two or three actions together. We can prepare tender and quantities’ schedule and simultaneously float the tenders. The data is available for land papers. Simultaneously, we can apply for the land acquisition. We prepare the design and drawings at the same time. For that, the final location survey has got to be completed.”

(ii) New Maynaguri – Jogighopa Project- 245 kms.

2.7 This project was cleared on 22.02.2000 and included in the Budget in 2000-01. It was having a negative rate of return. The original estimated cost was Rs.733 crore. The target date of completion has not been fixed as the fund position in coming years for the project is not known unlike the National Projects. Final location survey for 58.8 kms from New Maynaguri to Mathabhanga has been completed departmentally and part detailed estimate for Rs.89.07 crore has also been sanctioned. Final location survey beyond Mathabhanga to Jogighopa 185 kms has also been completed and report submitted recently. Work of 19 kms is already in progress.

2.8 When enquired about the delay in clearance of project after detailed estimates have been submitted, the Chairman, Railway Board explained:-

“After submission, it needs a lot of scrutiny because whosoever prepares the detailed estimate, after that, at least, financial scrutiny is needed and the quantity schedule is required to be checked. Sometimes, it so happens that while scrutinizing the final location survey, we come to know that we sanctioned 10 bridges whereas we need 12 bridges or something like that. Then, we see whether we can reduce the quantity elsewhere. At times, it takes a minimum of six months because we have to balance the scope of work as sanctioned by Parliament.”

2.9 Further he also admitted:-

“earlier in the case of projects which were being included in Rail Budget, detailed surveys had hardly been done. This was long back. In such cases, when we come to the stage of final location survey then we may for example find that a station which we have to locate is falling in a thick forest areas. In such cases we have to again make changes here and there. Many times you change to a special location or make minor changes in alignment and because of technical reasons a problem arises and it becomes material modification. So, in such cases it again needs financial scrutiny. Beyond certain limits one is not permitted to make changes. Otherwise, things will go haywire.”

2.10 He further added-

“We often sanction the project without proper survey and when we do the final location survey we find wide variation. When there is wide variation, it takes time to regularize the same.”

2.11 Supplementing to the above the Financial Commissioner elaborated:-

“Each estimate contains a number of portions like civil engineering portion, electrical portion, signaling and telecommunications portion, etc. Each of these portions goes to the respective technical directorate for clearance. There they may have valid observations to make. Therefore, it is not because of financial scrutiny alone that it is taking this time. Each detailed estimate has to be necessarily examined with reference to technical feasibility, conforming to the standards and also the cost aspects. These aspects are being dealt with in various directorates.”

2.12 When advised to take up these activities simultaneously, the Chairman, Railway Board stated-

“Some estimates we are giving parallely also. We are facing problem because, this proposal was prepared in 48 hours. By seeing the Geological Survey of India map we prepared the proposal. When we went there and located our stations, we found that a wild life sanctuary was there at that place. There are a lot of problem in that case. But you point is well taken.”

2.13 When suggested that construction work should also be started from both sides, the Chairman, Railway Board stated:-

“Detailed estimate is virtually ready and it will be cleared very soon, tenders will be called for and will also allocate funds. This project will start at various points. We cannot go end-on for this. It is a 245 km. Long project. We have to start work at more points.”

(iii) Harmuti-Itanagar Project

2.14 This project was included in the Budget in 1996-97 and cleared in Feb. 1997 and has a negative rate of return. The original cost was Rs.156 crore. The date of completion has not been fixed. Government of Arunachal Pradesh informed on 09.08.2000 to abandon the alignment from Harmuti to Itanagar and instead construct the line from Halem to Itanagar due to strong local resistance. Accordingly, the project was frozen on 14.11.2000 and PET survey from Halem to Itanagar was sanctioned. Meanwhile State Govt. again requested on 06.12.2000 to change the alignment from Bedati to Itanagar (45 km) instead of Halem-Itanagar.

2.15 The survey for Bedati-Itanagar was sanctioned in October, 2001. Geological Survey of India was approached to take up geological survey of this alignment as this alignment passes through extremely difficult hilly terrain of unstable geological formation. GSI took considerable time in conducting the study as they were preoccupied with other works. The report on Geological formation has been given by GSI in June 2004 with recommendation of special care in route without any alteration in the alignment. Field survey was delayed on account of rainy season, which has since been commenced. Target date for completion of the survey is fixed as June 2005.

(iv) Bogibeel Bridge with linking lines between Dibrugarh and North Bank Line Project - Rail cum Road Bridge Project

2.16 The project was included in the Budget in 1997-98 and cleared on September 1997. The original cost was Rs.1000 crore which has been revised to Rs.1767.36 crore and is targeted to be completed by the year 2007-08. This is a rail-cum-road bridge where the Railway share is Rs.1109 crore and the share of Ministry of Surface Transport is Rs.658.4 crore. Final location survey has been completed. Payment to the tune of Rs.39.89 crore has been made to the State Government for land acquisition. 205 hectare of private land & 92.15 hectare of Government land on south bank, while 40.98 hectare of private land and 90.72 hectare Government land on north bank has been acquired. Temporary land acquisition of 120.42 hectare on south bank and 261 hectare on north bank for boulder stacking has been completed. Construction of service approach roads to the bridge site is almost complete. Work on major bridges, minor bridges and

earth work for rail link on south bank in progress where 30 lac cum out of 146 lac cum earthwork and 24 out of 68 minor bridges have been completed. 1.85 lac cum out of 15.5 lac cum of boulders collected for guide bunds. Tender for pre-qualification for sub structure has been finalized.

2.17 As per the Ministry of Railways, the required funds for the project have not been feasible to be allocated within the budgetary support provided by the Planning Commission. The main constraint is in providing funds by Ministry of Road Transport and Highway as their share. They have mentioned that the requirement of project is huge and it would not be feasible for them to allocate funds within the plan allocations provided by Planning Commission. The funds required for the bridge may have to provided as an additionality. The matter has been discussed with Ministry of Road Transport and Highways on 06.12.2004.

2.18 This mega bridge is also covered under 'National Rail Vikas Yojana' and attempts have been made to get extra budgetary resources for the same. The Proposal was discussed with the World Bank. In the initial discussions, World Bank authorities indicated that since the project requires heavy investments and is financially unviable, the project can be considered if it is posed as a socio-economic project of the Government rather than a railway sector project. This position was advised to Department of Economic Affairs, Ministry of Finance.

2.19 The detailed design of the bridge have been taken up by RITES and so far no agency has been fixed for execution of the bridge. Some agencies have been fixed for supply of boulders, approach roads and earth work and bridges on the approach embankment and the linked lines.

2.20 The north bank dykes have been damaged in floods. State Government is required to maintain and repair the damaged dykes but they have taken no action in this regard. This is affecting the progress of north bank approach roads, strengthening and raising of dykes. The State Government is to either carry out the repair work on priority on their own or handover the repair work to railways on deposit terms.

(v) Kumarghat-Agartala Project-109 kms

2.21 This project was included in the Budget in 1996-97 and cleared in July, 1996 with 2.17% rate of return. Original cost was Rs.575 crore which has been revised to Rs. 700 crore. Kumarghat-Manu-21 km section has been completed and commissioned on 27.12.2002. Possession of 1916 hectares of land out of total of 1950 hectares has been taken and land acquisition in balance portion is in progress. 192.92 lac cum out of 225 lac cum earthwork, 138

minor bridges out of 170 nos., 11 major bridges out of 15 and 23 road over/road under bridges have been completed. Work on 2 tunnels is in progress. Tender for tunnel No.2 has been discharged and is being re-invited.

2.22 The Committee were informed that Kumarghat-Agartala new line has been approved as National Project in Oct., 2004 with target date of completion of 31st March, 2007 and a total fund grant of Rs.356 crore.

(vi) Dudhnoi-Depa Project

2.23 This project was included in the Budget in 1992-93, with negative rate of return. The original cost was Rs.22.33 crore and completion date has not been fixed. With regard to the status of the project, the Ministry submitted as under:-

“Land acquisition papers were submitted to the State Govt. in July, 1997. However, Meghalaya Govt. has not made available the land so far due to resistance from local people regarding Depa Station site. As per the decision of Cabinet sub-Committee of Govt. of Meghalaya, a Joint Inspection was held on 29.11.2002 by all concerned departments to sort out the alternative site at Depa. During joint inspection, original site as proposed by Railway was agreed to as most ideal. Accordingly, Secretary (Transport), Govt. of Meghalaya was requested on 13.12.2002 to communicate necessary decision in this regard. Decision of the State Govt. is still awaited. Work on this project would be taken up only after the land becomes available and will be completed within two years of land being made available.”

Gauge Conversion

2.24 With the inception of the project uni-gauge in 1992, broad gauge is being introduced all over the Indian Railways. In consonance with this, 829 kms of gauge conversion has been completed in the North East Region since 1992-93 as mentioned earlier.

2.25 In addition to this, 5 gauge conversion projects, involving more than Rs.4500 crore, are under way in the North East Region. On completion of these projects about 1210 kms. of broad gauge tracks will be added to the rail network in the Northeast region bringing the total broad gauge route kilometre to more than 3200 km in the region.

2.26 The pace of gauge conversion had been generally slow in North Eastern Region. On an average, only about 70 kms. of track has been converted to broad gauge per year since 1992-93. There are about 1350 kms. of metre gauge railway line still in existence, and going by the current pace of conversion it will take another 20 years at the least.

2.27 With regard to expediting the Gauge Conversion work in the region, the Chairman, Railway Board stated that now the rate will be higher, with 10% investment in North East Region. Further, he mentioned that once we declare some of the ongoing projects as National Projects, it will be much higher.

Ongoing Gauge Conversion Project

(i) Rangia-Murkongselek (alongwith linked fingers)-510.33 kms

2.28 The project was included in the Supplementary Budget in 2003-04 with 1.13 negative rate of return. The original cost was Rs.915.7 crore and completion date has not been fixed. Service of IIT/Roorkee has been desired for hydrological study of the area which undergoes regular washaways/subsidences/slips etc. Preparation of plans and estimates has been taken up.

2.29 On being pointed out that Rangia-Murkongselek project has been rejected by RVNL on the ground of being not economically viable and the train cannot pass the Bogibeel bridge and go to the other side as one side is meter gauge while another side is broad gauge under the circumstances, how the Railways plan to fund it and mobilize fund for this project, the Chairman, Railway Board replied:-

“We have referred to the Defence Ministry also as the meter gauge line was constructed on a strategic consideration. We are getting dividend subsidy on this score. Taking that as a ground, we had made a reference that it can be looked into because of this background and they should agree it on a defence consideration. Normally this section is used by lot of defence personnel. The expenditure should be borne by the Ministry of Defence. On this we are in correspondence. It has not reached any finality. In case Ministry of Defence does not give permission for this, we have to find other means. Actually the RVNL has done the bankability study. It is not a bankable project.”

2.30 When it was further pointed out that Ministry of Defence have rejected it twice already, the Chairman Railway Board responded-

“We keep pursuing.”

(ii) Katakhal-Bhairabi Project- 84 kms

2.31 The project was included in the budget in 1997-98 and was cleared on 04.02.99 with negative rate of return. The original cost of Rs.200 crore has been revised to Rs.88.27 crore. No completion date has been fixed. The work on this project would be taken up once Lumding-Silchar project progresses and reaches an advanced stage of completion.

2.32 The Chairman, Railway Board during the course of examination has also informed that, it will be taken up once the Lumding-Silchar is completed by March, 2009 and then the data would be scrutinised.

**(iii) New Jalpaiguri-Siliguri-New Bongaigaon including linked branch lines
- 417 kms (280 kms Main Line and 137 kms Branch Line)**

2.33 This project was included in the budget in 1997-98 and cleared on 04.02.99 with original cost of Rs.380 crore which has now been revised to Rs.820 crore. The section from New Jalpaiguri to Samuktala Road (198 km) has been completed and commissioned for passenger traffic on 20.11.2003. The balance portion from Samuktala to new Bongaigaon (78 kms) is targeted for completion during 2004-05 where track linking has been completed. The section from Samuktala Road-Jorai (18 kms) has been commissioned. Section from Jorai-Gosaigaonhat (18 kms) has been offered for CRS inspection.

2.34 On branch line from Alipurduar to Bamanhat (73.32 kms), earth work and bridge works are in progress and 17 minor bridges have been completed. The work on this section is likely to be completed by 2005-06.

(iv) Lumding-Silchar including alignment between Migrendisa-Dittockchera and extension from Badarpur to Bhariagram

2.35 This project was included in the budget in 1996-97 and cleared in July, 96 with a negative rate of return. The original cost was Rs.648 crore which has been revised to Rs. 1823 crore.

2.36 This Project has been approved as National Project and would be completed by March, 2009. Final location survey has been completed. 344 hectares of land out of 400 hectares has been acquired. Earth works and bridge works are in progress in Lumding-Silchar. 196 lac cum out of 350 lac cum earthwork, 178 minor bridges out of 411 and 11

major bridges out of 114 have been completed. Tender for one tunnel awarded and the work has commenced.

2.37 Geological stability studies for the hill stops would require collection of soil samples and analyzing the soil properties. Based on that, slope stability analysis is required to be done to arrive at stable slope. RDSO had conducted the study for one of the locations and the measures to be adopted have been advised to Northeast Frontier Railway. For the remaining stretches, soil data collection has been taken up through a contract. Agency has also been finalized for undertaking geo-technical study based on the soil data and thereafter submit report.

(v) Lumding-Dibrugarh with linked fingers, Haibargaon-Mairabari (44.8 kms) and Senchoa Jn.-Silghat Town (61.85 kms.)

2.38 This project was included in the budget in 1993-94 with original cost at Rs.300 crore which has now been revised to Rs.882.11 crore. Lumding-Dibrugarh with linked fingers completed and commissioned. The branch lines Chaparmukh-Silghat and Haibargaon-Mairabari were included in the work of gauge conversion of Lumding-Dibrugarh with linked fingers in the Budget 1993-94. Subsequently, the scope was limited to gauge conversion of Chaparmukh-Haibargaon (25 km) only and remaining branch lines were dismantled. However, on 03.02.2004, the Government has approved restoration of gauge conversion of Haibargaon to Mairabari (44.8 kms) and Senchoa Junction to Silghat Town (61.85 kms) in the scope of Lumding-Dibrugarh gauge conversion project. Detailed estimate for the same is under process.

Doubling

2.39 Doubling of Railway Tracks has not been taken up at all in North East Region. In their written replies the Ministry of Railways submitted that the doubling of single line will be taken up when the existing line gets saturated and depending upon the future traffic demand. After conversion of Samuktala Road – New Bongaigaon Section, two Broad Gauge Line would be available between NJP and Guwahati; this would be sufficient to meet the demand of projected traffic.

2.40 During evidence, the Chairman, Railway Board also clarified that when the traffic builds up, then doubling can be taken up in the third stage. In first stage the entire NF region has got to be broad gauged and in second stage rail connectivity to at least State capitals.

Electrification

2.41 Electrification of Railway track has not been taken up in North East Region, as electrification of Railway lines is primarily on a need based which is reviewed regularly. Based on the traffic requirement and resource availability, the sections which are considered necessary are taken up for cost come feasibility survey for electrification.

2.42 The Chairman, Railway Board clarified during evidence that normally electrification is done where it is a double line and there is substantial traffic. This has been the trend so far. Once we start the electrification it should go on continuously, otherwise frequent changing of traction would be technically undesirable. So, it would not be possible to go in for electrification in bits and pieces. Let the broad gauge be there with double lines and traffic build up then we would think of electrification.

2.43 When the Committee pointed out that after conversion of Samuktala Road-New Bongaigaon Section, two Broad Gauge lines would be available between New Jalpaiguri (NJP) and Guwahati and there would be possibility of electrification at least upto Guwahati as it is hub of the North East, the Chairman, Railway Board agreed to examine the feasibility.

Completed and ongoing surveys

2.44 For new lines and gauge conversions in Northeast region, since 1999-2000 as many as 16 surveys have been completed and 7 surveys are in progress- Annexure .

2.45 Out of these 16 completed surveys (12 new lines and 4 gauge conversion), 8 new lines and 2 gauge conversion surveys have been shelved, surveys undertaken for 3 new lines are still under examination. The following 3 projects have been included in the budget for execution:-

- (i) Jiribam-Imphal Road (Tupul)- NL
- (ii) Rangia-Murkongselek-GC
- (iii) Restoration Haibargaon-Mairabri & Senchoa-Silghat-GC

2.46 On being asked as to why so many projects were shelved in the Northeast region, the Chairman, Railway Board stated that based on survey Reports, if it was found that they were not financially viable in the normal course and shelved them. He further stated that survey can be of various types like Reconnaissance Engineering-cum-Traffic Survey, Preliminary Engineering-cum-Traffic Survey, Final Location Survey, etc. When a survey is done, we see the Internal Rate of Return which is based upon the normal prevailing interest rate. As per our codal

provisions, if the IRR is 14 per cent or more, then we normally take it as a viable project, and we forward it to the Planning Commission for further follow up action.

2.47 When further inquired as to why still the rate of return is fixed at 14 per cent when the normal prevailing interest rate are much less at present and whether the Ministry propose to review the same, the Chairman, Railway Board stated as under:-

“The point is well taken. We will deliberate at our end. But again, it is a policy matter and a global view has to be taken by the Planning Commission. It has to go to the expanded Board and the CCEA before a policy decision is taken. It cannot remain confined only to the Ministry of Railways to take a decision for the matter”.

2.48 With regard to 14 per cent Internal Rate of Return, the Secretary, Planning Commission while deposing before the Committee also submitted as under:-

“14 per cent rate of interest is too high. Actually 14 per cent rate of interest is in high inflation economies where the inflated rate are very much prevalent. These inflated rates are of the order of 7 to 8 percent, or 9 per cent or sometimes of double digit. There is room for reducing the 14 per cent of Internal Rate of Interest.”

2.49 As regards the surveys for new line and gauge conversion being undertaken in Northeast region, out of the 6 new line surveys and 1 gauge conversion survey, 1 each has been completed and included in the budget. Other surveys undertaken are still in progress and likely to be completed in 2005. Details are given in the Annexure.

2.50 The Committee find that there is no rail network in the State of Sikkim at all at present. Further, they also note that for rail line to Gangtok a survey had been conducted earlier from Sivok to Singtam (a place short of Gangtok by about 35 kms.) via Giellikhola. Beyond Singtam, the line has not been considered feasible due to hilly terrain. However, in view of the acute constraint of resources and heavy throwforward of ongoing projects, the proposal was not considered. Recently, a survey for narrow gauge line from Sivok to Giellikhola (25 kms.) has been completed by the Railways and the report is under their examination.

2.51 When asked about the perspective plan of Railways for the over all development and expansion of the network and its capacity, gauge conversion and electrification, the Chairman, Railway Board stated: -

“Our perspective plan is such we are able to connect all the State capitals and provide rail connectivity to these State capitals. Three surveys are already in progress and three works are already sanctioned. For some reasons or the other they are getting delayed. Like Itanagar, Arunachal Pradesh. Earlier, there was some other alignment and then it got changed to second alignment. Now, it has changed into the third alignment, Bedeti-Itanagar. Similarly, about Depa, location has not been fixed by Meghalaya, even though these are sanctioned works. Similar is the case of Manipur, Mizoram and Tripura. There, we are going to Agartala and Aizwal.

So, we have to connect the entire NF region in due course. We have gone to Bairabhi. Bairabhi to Kumarghat portion is left. We have to go for the broad gauge conversion for the left over section also. We have also started actions for getting it sanctioned.

CHAPTER-III

Budget Allocation/Expenditure incurred in North East Region

3.1 Railways are maintaining Budget allotment and expenditure figures Railway-wise and not region-wise or State-wise. As the entire NE Region is served by the Northeast Frontier Railway (NFR) accordingly the budget allotment and expenditure figures of NER, since 1996-97 is as under:-

| Year | Budgetary Support to the Railways | Allotment made for NE Region | (Rs. in crores) Expenditure incurred |
|---------|-----------------------------------|------------------------------|---|
| 1996-97 | 1269 | 151 | 197 (15.52%) |
| 1997-98 | 1831 | 338 | 236 (12.88%) |
| 1998-99 | 2200 | 206 | 207 (9.40%) |
| 1999-00 | 2540 | 258 | 264 (10.39%) |
| 2000-01 | 3191 | 288 | 291 (9.11%) |
| 2001-02 | 3440 | 218 | 272* (9.06%) |
| 2002-03 | 4040 | 385 | 441 (10.91%) |
| 2003-04 | 3814 | 365 | 483(RE**)# (15.28%) |
| 2004-05 | 3649 | 367 | .. (10.05%) |

** Revised Estimate.

* Apart from this, expenditure of Rs.40 crore was incurred against project specific allotment given during the year.

Actually spent: Rs. 583.39 crores.

Criteria Adopted for Investment in North East Region

3.2 Railways are to spend 10 per cent of the budgetary support received from the General Exchequer in the North East Region in pursuance to the 'New Initiatives' announced by the then Prime Minister in 1996.

3.3 For computing the investment being made by the Railways in the Northeastern Region, the following criteria have been adopted:-

- (i) All Projects/investments in Northeastern region.
- (ii) Projects taken up in other than North Eastern region of NF Railway, on the basis of justification that includes benefits for traffic movement in Northeastern region too. This criteria applies to projects under plan heads – New Lines, Gauge Conversion, doubling traffic facilities, rolling stock and bridge works.

- (iii) For Plan head other than the above, a ratio of 3:1 is adopted for NE and non Northeast region on the basis that out of 4 division of NF Railway, 3 fall in the Northeastern region until the 5th division Alipurduar was formed recently.

3.4 Investment in procuring of rolling stock for NER is not separated between NFR and Non-NFR as the rolling stock is not location specific but moves on the entire system.

3.5 The Ministry of Railways while furnishing details about the percentage of funds that have been allocated to North East Region from the Railways Safety Fund, SRSF, diesel Cess and external borrowings stated in their written replies that the Railway Budget is compiled Railway-wise and not Region-wise or State-wise. However, by applying the above mentioned criteria, the expenditure incurred on NE region since 2001-02 has been as under:-

Source-Wise

Internal Resources

(Rs. in crores)

| Year | All Indian Railways | NF Railway | NE Region |
|---------------------|---------------------|---------------|--------------|
| 2001-02 | 2050.61 | 114.86(5.60%) | 99.78(4.86%) |
| 2002-03 | 1976.94 | 111.86(5.65%) | 90.37(4.57%) |
| 2003-04 (Approx) | 2790.00 | 123.55(4.42%) | 91.47(3.27%) |

Railway Safety Fund (Diesel Cess)

(Rs. in crores)

| Year | All Indian Railways | NF Railway | NE Region |
|---------------------|---------------------|--------------|-------------|
| 2001-02 | 140.28 | 3.77(2.68%) | 2.83(2.%) |
| 2002.03 | 164.08 | 10.44(6.35%) | 7.83(4.77%) |
| 2003-04 (Approx) | 166.00 | 9.60(5.78%) | 7.20(4.33%) |

Special Railway Safety Fund)

(Rs. in crores)

| Year | All Indian Railways | NF Railway | NE Region |
|---------------------|---------------------|---------------|--------------|
| 2001-02 | 1434.28 | 17.97(1.25%) | 12.65(0.88%) |
| 2002.03 | 2486.31 | 119.60(4.8%) | 97.04(3.90%) |
| 2003-04 (Approx) | 2584.00 | 118.58(4.58%) | 96.78(3.74%) |

Market Borrowings

(Rs. in Crore)

| Year | All Indian Railways | NF Railway/NE Region |
|---------------------|---------------------|----------------------|
| 2001-02 | 2175.00 | 59.84 |
| 2002-03 | 2516.97 | 65.03 |
| 2003-04 (Approx) | 2807.00 | 74.25 |

Note:- As regards external (Market) borrowings, the same is undertaken for purpose of procurement of Rolling Stock.

3.6 The Breakup of expenditure in respect of project of New Line, Gauge Conversion and Traffic facilities coming under North Eastern Region during last 3 years out of Budgetary Support is as under:

Head-wise

(Rs. in crores)

| | 2001-02 | 2002-03 | 2003-04 |
|---------------------------|---------------|---------------|---------------|
| New Lines | 85.28 | 156.90 | 195.32 |
| Gauge Conversion | 221.22 | 211.24 | 270.79 |
| Traffic Facilities | 5.44 | 4.27 | 1.71 |
| Other Plan-Heads | 4.56 | 23.34 | 29.72 |
| Total | 311.94 | 238.85 | 497.54 |

CHAPTER-IV

Modernisation Plan of North East Region

4.1 Indian Railways have launched modernisation plan, on a large scale for the entire Indian Railways. As part of this, modernisation plan have also been launched in North East Region, under which modernisation of tracks, bridges, signalling, passenger amenities, rolling stock etc. are undertaken.

Rebuilding/rehabilitation of bridge works

4.2 The Railway bridges are rebuilt/rehabilitated based on their condition as assessed during annual inspection by field officials as per provisions laid down in the Indian Railway Bridge Manual.

4.3 Statistics for Bridge Works are maintained Railway-wise and not State-wise. The Number of bridges rebuilt/rehabilitated under SRSF on North Frontier Railways during last 3 years is as under:-

| <u>Year</u> | <u>No. of bridges rebuilt/rehabilitated</u> |
|-------------|---|
| 2001-02 | 75 |
| 2002-03 | 65 |
| 2003-04 | 29 |

4.4 There are total 284 bridges sanctioned as on 01.04.04 for rebuilding/rehabilitation on Northeast Frontier Railway which serves the North Eastern Region. Out of these 284 bridges, 33 bridges have been rebuilt/rehabilitated upto Oct.04 and remaining bridges are in various stages of planning and execution.

4.5 As on 01.04.2004, there are balance 26 bridges sanctioned under Special Railway Safety Fund (SRSF) for rebuilding/rehabilitation on Northeast Frontier Railway. Out of these 18 bridges are targeted for completion in the year 2004-05 and remaining bridges are planned for completion upto 2006-07.

4.6 When pointed out that the position of bridge works is very slow in the region and targets should be fixed for each and every work, the Ministry stated that rebuilding/rehabilitation of bridge works were slow prior to 2001-02. Progress of bridge works got fillip after creation of Special Railway Safety Fund during 2001-02. Remaining bridges are planned for completion upto 2006-07.

Track Renewal

4.7 Repair and maintenance of Railway track is an on-going process with a view to ensure safety. Maintenance works are carried out by Railways regularly depending upon the need. For ensuring safety of traffic, track is inspected regularly and corrective action taken promptly wherever required. Renewals are also sanctioned and are carried out as and when the same becomes due for renewal on age-cum-condition basis subject to availability of funds and resources.

4.8 The yearly targets are fixed after likely availability of funds within the Plan size of the Railways is known. The position of track renewal target and achievement of Northeast Frontier Railway (NFR) during 2004-05 it is indicated as under:

- (i) In the beginning of the current financial year the overall target of North Frontier Railway was fixed as 175 km and out of this 68 kms. of track was renewed up to October, 2004. However, with additional funds made available under SRSF in Oct. 2004 to the tune of Rs.17.00 crore the track renewal target of North Frontier Railway was increased from 175 kms to 200 kms. Upto Nov. 2004 total 86 kms of renewal has been completed (18 kms in Nov. 2004). Renewal work is slightly slow during monsoon season which is longer in North East Region. The progress will increase in the later part of the year which is being the working season.
- (ii) The pace of track renewal is commensurate with the funds available. Railways is making all efforts to overcome the resource crunch to wipe out the arrears of renewals of its assets. The target fixed for the zonal Railways was, however, achieved. During 2003-04, out of the target of 120 kms, North Frontier Railway had executed total 161 kms by the end of the year.
- (iii) The progress achieved for track renewal works in last 3 years on North East Region of North Frontier Railway is as under:

| Year | Progress |
|-------------|-----------------|
| 2001-02 | 64.21 |
| 2002-03 | 100.99 |
| 2003-04 | 107.6 |

4.9 During the oral evidence the representative of the Ministry of Railway stated -

“we have already finished more than 50% work. Most of the impediments of track renewals in NF Railway such as shortage of concrete sleepers are over. I would like to assure you that the target of completion of entire 16,538 km of track renewal would be completed by the target date.”

4.10 When pointed out that the progress is slow due to rainy season, insurgency and non use of mechanised methods for track renewal, the Ministry in their reply stated as follows:-

“Taking into consideration the difficult working conditions on Northeast Frontier Railway, sufficient number of track machines have been given to the railway for track relaying and maintenance work. At present, the holding of track machines on North Frontier Railway is as under:

| | | |
|----------------------------|---|--------|
| Tamping Machines | : | 7 nos. |
| Ballast Screening Machines | : | 2 nos. |
| Turnout Changing Machines | : | 1 no. |
| Dynamic Track Stabiliser | : | 1 no. |
| Ballast Regulating Machine | : | 1 no. |
| Multi-utility Vehicle | : | 1 no. |

4.11 In addition to above, one set of track laying equipment has been diverted from Western Railway (WR) to Northeast Frontier Railway (NFR). Further, three new machines i.e. one Tamping machine, one Dynamic Track Stabiliser and one new Track laying equipment set is under procurement for which contracts have been awarded and supplies are to be received shortly, In future also, the requirement of track machines will be adequately considered before making allotments of track machines to Northeast Frontier Railway.”

Modern Signalling and Telecom

4.12 In respect of signalling and telecom the Ministry stated that whatever over-aged signalling gears under SRSF, Broad Gauge, we are doing it with latest state of art technology. North East Frontier Railway will be pioneer in installation of Anti-Collision Device (ACD), within this financial year we are trying to cover 1736 km with ACD. Similarly, optical fibre cabling is being done in a very big way in North East Region. In fact most modern Mobile Train Radio Communication is being introduced for the first time in NF Railways and work is in progress on about 690 km. Even in construction, modern design concepts are being adopted in construction of bridges, tunnels etc. In fact, in Bogibeel bridge, composite welded construction technique is being adopted.

4.13 10 works have so far been completed and balance 21 are in progress out of 31 works undertaken on Northeast Frontier Railway in last 5 years are as under:-

| Work Sanctioned under | No. of works sanctioned | No. of works completed | No. of works in progress | Throw Forward as on 31.03.2004 | Outlay during 2004-05 |
|--------------------------|-------------------------|------------------------|--------------------------|--------------------------------|-----------------------|
| Pink Book (Plan Head 33) | 18 | 3 | 15 | Rs.17.02.83 crore | Rs.19.99 crore |
| Green Book (SRSF) | 13 | 7 | 6 | Rs.43.56 crore | Rs.14.48 crore |
| Total | 31 | 10 | 21 | Rs.216.39 crore | Rs.34.47 crore |

4.14 Further, the Ministry stated that safety is ensured at all times and field Permanent Way Supervisors are authorized to impose speed restriction as warranted, without any reference to their superiors. There is no stretch of track that needs immediate replacement.

Overhauling of Rolling Stock

4.15 The Committee pointed out, that for activities like overhauling of rolling stock, laying of new lines, track renewal etc. modern and latest state of the art equipments are needed. Since there is longer period of rainy season in North East and working season that is left is very short, so to make up for the reduced working period efficient, effective equipments are essential and *sine qua non*, but the same is not being made available to the North East Region. They further mentioned that the machines and equipment used in North East are outdated, latest devices have not been provided and maintenance is neglected. In reply to this, the Chairman, Railway Board submitted:-

“we find everybody has a tendency to press for new machines. I may tell you that every machine undergoes overhauling plans. Once it is overhauled it becomes almost new. Everybody wants a new series of machines. This is true not only for NF but for all the Railways. Your point is well taken. We will support NF without any fail.”

4.16 The representative of the Ministry of Railway further added:-

“Out of 34 cleaning machines, two are in NF Railways. Every machine gets overhauled after every six months and then four years. We have to make sure that most of the smaller parts are replaced by new ones. What is left after four years is only the chassis. We have a mix, right from 1971 upto 2004. We are still working with the machines bought in 1974. Except chassis engine and other things have been replaced.”

4.17 With regard to the out dated wagons, coaches etc. the representative informed the Committee:-

“As far as NF Railways is concerned, both the workshop at Dibrugarh and New Bongaigaon are capable of catering the entire POH arising of NF Railways. Coaches do not go outside. The entire coaches get overhauled at these two workshops. For modernization work last year Rs.15 crore was sanctioned. Work is going on. As far as coaches are concerned, the average age of a coach is 25 years. The average age of a coach in NF Railways is at par or in fact a little better. The overall age profile of coaches is almost the same. We are going to sanction some project at Guwahati this year. Over all, as far as coach maintenance facility is concerned, NF Railways is given due care.”

4.18 Further, it was corroborated-

“whatever new replacement under SRSF or DRF are being done, they are being done with the latest state-of-art technology on multiple aspects like signaling, electrical, electronic inter-locking in which signals are not operated by levers but they are operated by push buttons by the Station Master. All the projects of coaches or conversion or new line of NF Railways, they are with the latest technology.”

4.19 Chairman Railway Board also informed that work worth Rs.216 crore is in progress there.

Railway Stations

4.20 There are 516 stations under Northeast Frontier Railway which cater to North East Region. Out of these 30 stations have been nominated for being developed as model stations.

4.21 Upgradation of stations on Indian Railways is a continuous process. Review of existing passenger amenities vis-à-vis the required amenities as per norms is carried out annually and action is taken to eliminate the shortfall wherever noticed. Various upgradation/improvement works at stations are taken up based on importance of station, passenger traffic handled, inter-se-priorities and availability of funds. Presently, out of 516 stations, Minimum Essential Amenities, as per the laid down norms, have been provided at 513 stations. Shortfall on remaining 3 stations will be eliminated before 31.05.05.

4.22 The category-wise stations under Northeast Frontier Railway which caters to North East Region is as under:-

| CATEGORY | NO. OF STATIONS |
|-----------------|------------------------|
| A | 9 |
| B | 5 |
| C | 0 |
| D | 17 |
| E | 406 |
| F | 79 |
| Total | 516 |

4.23 The data on number of passengers originating, freight carried and earnings there from in the Northeast region are not available as the same is maintained Railway-wise and not State-wise/Region-wise.

4.24 When pointed out by the Committee, that out of 516 stations almost 80 percent are in the 'E' Category. The Chairman Railway Board elaborated that 'E' category is a station where the earning from the passengers is less than one crore rupees a year. If the earning is more, it will automatically get upgraded.

CHAPTER-V

Recommendations/Observations

5.1 The Committee find that Northeast Region comprising of Arunachal Pradesh, Assam, Meghalaya, Nagaland, Manipur, Tripura, Mizoram and Sikkim falls under the zonal jurisdiction of Northeast Frontier Railway based at Maligaon, Guwahati. The Rangia, Lumding, Tinsukia Divisions and a portion of Alipurduar Division of Northeast Frontier Railway covers the entire Northeast Region so far as development of rail infrastructure is concerned. The total rail route length in the Region as on 1.4.2004 was 1239 kms. broad gauge and 1360 kms. metre gauge. They notice that the capitals of seven States including Sikkim are yet to be connected with rail. The Committee also note that in the process of development of rail infrastructure in the region, Railways have completed 163 kms. of new lines and 829 kms. of gauge conversion works since 1992-93. For further expansion of the rail network, six new lines and five gauge conversion projects with throwforward of Rs.6494 crore are at present in progress in the region which on completion would add to the existing network 514 kms. new line and 1210 broad gauge kms. in the region. Further the Committee observe that on the new initiative taken by the then Prime Minister in 1996, a guideline has been laid down for all the Union Ministries and Departments to earmark 10 per cent of their budget for the specific projects in the North Eastern States. A non-lapsable Central Pool of Resources was set up later on in 1998-99 to support the specific projects in the region. The Ministries and Departments are required to contribute fund in the Central Pool to the extent of shortfall in expenditure with reference to 10 per cent earmarked for the region.

Railways are spending on an average around Rs.400 crore annually on these projects from the Budgetary support received from the General Exchequer which according to them is much above the prescribed guidelines of 10 per cent. However, the Committee during the course of examination of the subject found that in Northeast Region, Railways are spending 10 per cent out of the budgetary support available for general distribution for development of rail infrastructure. The budgetary support available for general distribution is that amount which is

left over after excluding diesel cess, contribution to Special Railway Safety Fund (SRSF), funds allotted for the National Project and funds for externally aided projects from the total Budgetary support received from General Exchequer. This according to the Ministry of Railways is done with the approval of Ministry of Home Affairs. Further the Committee also found that based on the existing computation method adopted for investment in Northeast Region, Railways have been spending on an average 4.2%, 3.7% and 2.8% from their internal resources, Railway Safety Fund (Diesel Cess) and SRSF respectively. The Committee are of the view that for development and expansion of rail network in Northeast Region, the amount allocated at present is too paltry and meager. They, therefore, recommend that the Ministry of Railways should earmark 10 per cent of the total Railway Budget as envisaged in the 'new initiatives' for Northeast Region instead of 10 per cent from the budgetary support available for general distribution alone as is being done at present.

5.2 The Committee note that for computing the investment to be made by the Railways in Northeast Region, a fraction of $\frac{3}{4}$ is presently being applied to the total expenditure incurred by Northeast Frontier Railway as until recently out of 4 divisions of NF Railway, 3 divisions have been covering the North-east Region. The Committee are not convinced about the method of this computation of the data regarding allotment and expenditure, as there are five divisions in Northeast Frontier Railway as on date and the same three divisions are serving the Northeast Region even now. They find that the figure so computed and provided are misleading as they reflect $\frac{3}{4}$ instead of $\frac{3}{5}$. Considering the un-organised upkeep of the records the Committee first and foremost emphasize on maintenance of data relating to allocation and expenditure on Northeast Region separately forthwith.

5.3 The Committee further note that out of the funds earmarked exclusively for Northeast Region some amounts are being invested by the Railways on projects taken up in other than North Eastern Region of Northeast Frontier Railway on the justification that the investment in these projects would remove the bottlenecks and enhance smooth movement of traffic in Northeast Region and also enhance the capacity. While the Committee agree that enroute bottlenecks should be removed, yet they do not approve of the diversion of funds specifically earmarked

for the Region. They recommend that the funds for projects enroute to Northeast Region should be given priority and sanctioned from Railway Budget and not from the funds earmarked for the Region.

5.4 The Committee find that during the last five years, out of the 16 surveys (12 new lines and 4 gauge conversion) undertaken in the region 10 surveys (8 new lines and 2 gauge conversion) have been shelved while 3 surveys (1 new line and 2 gauge conversion) have been included in the Budget and 3 surveys done for new lines are still under examination. They were apprised that if an expected Internal Rate of return of 14 per cent is shown by the project during economic feasibility study only then it is considered to be economically viable and is included in the budget, otherwise the survey is shelved. The Committee are of the view that because of lack of railway infrastructure, economic and industrial development in Northeast Region are not commensurate with the other States. They find that there are some projects which though not financially viable but are socially desirable or necessary on account of strategic considerations and general development of the Region. They are of the opinion that Internal Rate of Return of 14 per cent is too high for determination of economic viability of projects particularly for Northeast Region. Moreover, it is also not commensurate with the normal prevailing interest rate on which it is based. The representatives of the Ministry of Railways as well as Planning Commission during the course of evidence have also admitted that 14 per cent Internal Rate of Return is too high for evaluating the viability of a project. The Committee, therefore, recommend that the norms of financial viability for projects in Northeast Region should be relaxed since development and expansion of rail network in the region is imperative for socio economic development apart from strategic relevance. They also strongly recommend that the economic viability of a project should be determined on a more rational and realistic basis keeping in view the prevailing interest rate. Therefore, the criteria adopted to ascertain the economic viability i.e. Internal Rate of Return of projects should be reviewed at the earliest.

5.5 6 new lines and 5 gauge conversion projects with a total throwforward of Rs.6494 crore are at present in execution in Northeast Region. The Committee note that many of these projects were sanctioned and included in the Budget prior to the year 1999 however, the progress of work in majority of these projects

are minimal. The Committee express their concern on the slow progress of these projects. However, they note with satisfaction that recently two of these ongoing projects, namely Lumding-Silchar-Jiribam(gauge conversion) and Kumarghat-Agartala (new line) have been declared as National Projects by the Government. Further they note that Jiribam-Imphal new line project is also being proposed for declaration as a National Project. The Committee are aware that when a mega Project is declared as a National Project it is assured of requisite funds and as a result gets completed in a fixed time schedule. The Committee recommend that for other ongoing projects, funds should be made available adequately so that these could also be completed at the earliest and rail density ratio in the region is increased apart from providing efficient line of connectivity.

5.6 The Committee find that doubling and electrification of Railway tracks have not at all been taken up in North East Region so far. The Committee were apprised that the electrification of Railway tracks is normally done where there is double line and substantial traffic. Further, electrification should be done continuously otherwise frequent changing of traction would be technically undesirable. The Committee observe that after conversion of Samuktala Road-New Bongaigaon section, two BG lines would be available between New Jalpaiguri and Guwahati which is the hub of North East and there could be possibility of electrification of this stretch. They, therefore, stress that electrification of the stretch upto Guwahati should be explored and a survey in this regard should be carried out. The Committee also desire that the railway track from New Jalpaiguri to New Bongaigaon via Jalpaiguri Road - New Coochbehar (main line) may also be considered for doubling.

5.7 The Committee find that the Rail cum Road bridge across the river Brahmaputra at Bogibeel is to be funded by Ministry of Surface Transport and Highways and Ministry of Railways. The cost to be shared by these Ministries is Rs.666 crore and Rs.1101 crore respectively. The construction of this bridge has been inordinately delayed. The completion target, which was initially fixed at 2005 has been deferred to 2008-09. The major cause of delay has been the non-availability of their share of funds by Ministry of Road transport and Highways. The Committee were apprised that discussions with World Bank Authorities indicated that since the project requires heavy investment and is

financially unviable, the project could be considered if it is posed as a socio-economic project of the Government, rather than a railway sector project. Accordingly the position was advised to Department of Economic Affairs, Ministry of Finance. The Committee emphasize that the Railways should further persuade the Ministry of Finance to project Bogibeel mega bridge project as a socio-economic project of Government of India to the World Bank as it would bring about overall socio-economic development of the region. In case, the funding of the project from World Bank does not materialise the Railways should approach the Ministry of Finance to declare it as a National project.

5.8 The Committee also find that another cause for the delay of the construction of Bogibeel project is due to damage of approach roads and north bank dykes by recurring floods every year. They stress that necessary steps should be taken by Railways for the flood protection. These flood protection works concerning present and future of Bogibeel bridge should be taken up as a component of the total bridge project in association with Central Water Commission as well as Ministry of Water Resources and Government of Assam.

5.9 The Committee find that gauge conversion of Rangia-Murkong-Selek section of Northeast Frontier Railway is also linked up with the Bogibeel bridge. On southern side of the bridge there is broad gauge line while across the bridge is meter gauge. They feel that Bogibeel bridge will be meaningless if gauge conversion of this connecting section on North side is not taken up simultaneously with adequate financial arrangement. Further these two projects are important from the point of connectivity between remote areas of Assam and Arunachal Pradesh besides defence movement. The Committee, therefore, recommend that both Bogibeel project and Rangia-Murkong-Selek gauge conversion project should be considered in totality as a single project to tackle the flood control, gauge conversion etc. with provision of adequate funds from Railway budget/alternative funding.

5.10 The Committee note that capitals of seven States in North Eastern Region are not linked with rail lines at present. During the course of examination they found that surveys for linking the capitals of Nagaland, Mizoram, Meghalaya and Sikkim have already been conducted and the survey reports are under examination. The State capitals of Arunachal Pradesh, Manipur and Tripura will

however be linked up with rail on completion of the ongoing projects in the Region. The Committee recommend that as the Railways have given priority in their Perspective Plan for connecting of State capitals by rail lines, the examination of survey reports be completed at the earliest. The Committee would like to be apprised of the final outcome of these surveys.

5.11 The Committee note that there are 516 stations under Northeast Frontier Railway which caters to Northeast Region, of which 30 stations have been nominated for being developed as model stations. They find that almost, 80% of these stations are in 'E' category, whose annual earnings from passengers is less than one crore rupees. The basic amenities/ facilities are provided on the stations based on the category. The Committee are concerned that in case the traffic earnings do not increase to the requisite level, then the stations would remain in the same category and the modernisation/better facilities cannot be provided on these stations. They are of the view that criteria for categorisation of stations based on earnings should be relaxed in the case of Northeast Region and facilities and amenities should be provided accordingly. They also emphasise that more number of model stations should be identified in the region.

5.12 The Committee find that as part of modernisation plan launched by Railways, modernisation of tracks, bridges, signalling, passenger amenities, rolling stock etc. are undertaken in Northeast Region also. They also find that the progress of the modernisation works undertaken is very slow due to long and heavy rainy season, insurgency and non-use of mechanised methods for track renewal. They are of the view that since there is longer period of rainy season in Northeast and work cannot be carried out during this period, to makeup for the reduced working period, efficient and effective equipments are essential. They, therefore, stress that the modern machinery & effective equipments for track renewal and coach maintenance facilities should invariably be provided to the Northeast Region. Targets should also be fixed for each and every work undertaken under the head, track renewal, bridges, signalling etc.

New Delhi;
25th February, 2005
6 Phalguna, 1926 (Saka)

(BASUDEB ACHARIA)
Chairman,
Standing Committee on Railways

ANNEXURE
SURVEYS COMPLETED IN LAST FIVE YEARS (POINT NO.3)

| S.No. | Name of the Project | Completed on | KMS | COST | ROR | Status |
|-------------------------|--|--------------|-----|------|--------|---------------------------------------|
| New Lines | | | | | | |
| 1 | Murkongselek - Passighat | 1999-2000 | 30 | 68 | -18.72 | Completed & project shelved. |
| 2 | Lehapani-Kharsang | 1999-2000 | 31 | 85 | 12.27 | Completed & project shelved. |
| 3 | Sarthabari to Changasari | 2000-01 | 60 | 153 | -112 | Completed & shelved. |
| 4 | Agartala to Sabroom via Belonia | 2000-01 | 110 | 370 | -ve | Completed & project shelved. |
| 5 | Dangri-Dhola | 2000-01 | 6 | 15 | -ve | Completed & project shelved. |
| 6 | Sivok to Singtam via Giellekhola | 2000-01 | 60 | 1099 | -34 | Completed & project shelved. |
| 7 | Digaru to Byrnhat | 2000-01 | 20 | 93 | -ve | Completed & project shelved. |
| 8 | Malum - Saikhova Ghat | 2001-02 | 6 | 15 | -ve | Completed & project shelved. |
| 9 | Jiribam-Imphal Road (Tupul) | 2002-03 | 98 | 728 | -19.39 | Completed & project included in 03-04 |
| 10 | Sivok-Giellikhola (Narrow Gauge) | 2004-05 | 25 | 105 | -ve | Completed& report under examination |
| 11 | Dimapur-Kohima | 2004-05 | 88 | 912 | -ve | Completed, report under examination |
| 12 | Azra-Byrnhat | 2004-05 | 30 | 223 | -19.22 | Completed & report under examination |
| Gauge Conversion | | | | | | |
| 13 | Balipara-Murkongselek and Rangapara North-Tezpur | 2000-01 | 344 | 571 | -ve | Completed & project shelved. |
| 14 | Karimgani-Maishashan | 2000-01 | 10 | 16 | -228 | Completed & project shelved |

| S.No. | Name of the Project | Completed on | KMS | COST | ROR | Status |
|---|--|--------------|-----|--|----------|---|
| 15 | Rangia-Murkongselek | 2002-03 | 510 | 1036 | (-) 7.32 | Completed & project included in 2003-04 |
| 16 | Restoration Habargaon-Mairabri & Senchoa-Silghat | 2003-04 | 100 | 105 | | Completed and project included |
| SURVEYS IN PROGRESS IN NE REGION | | | | | | |
| Sl. No. | Name of the Project | Commenced on | KMS | Status | | |
| New Line | | | | | | |
| 1 | Bhairabi-Sairang/Aizwal | 1997-98 | 54 | In progress. TDC 30.6.05 | | |
| 2 | Agartala to Akhaura | 1999-00 | 12 | Indian portion (5.40 Km) completed Bangladesh portion remaining. | | |
| 3 | Bedeti-Itanagar | 2000-01 | 42 | In progress. TDC 30.6.05 | | |
| 4 | Jogghopa to Silchar via Panchraïna | 2000-01 | 500 | In progress. TDC 31.12.05 | | |
| 5 | Tuli-Tuli Road | 2001-02 | 11 | In progress. TDC 31.3.05 | | |
| 6 | Agartala-Sabroom | 2004-05 | 110 | Included in Budget 04-05 TDC 31.1.05 | | |
| Gauge conversion | | | | | | |
| 7 | Baraigram-Kumarghat | 2004-05 | 75 | Included in Budget 04-05 TDC 30.6.06 | | |