

RAILWAY CONVENTION COMMITTEE (2009)

(FIFTEENTH LOK SABHA)

EIGHTH REPORT

ON

**ACTION TAKEN BY THE GOVERNMENT ON THE RECOMMENDATIONS
CONTAINED IN THE FIFTH REPORT OF RAILWAY CONVENTION COMMITTEE
(2009) ON RAILWAY'S PARTICIPATION IN THE DEVELOPMENT OF BACKWARD
REGIONS**



**LOK SABHA SECRETARIAT
NEW DELHI**

September, 2013 / Bhadrapada 1935 (Saka)

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REGIONS**

Presented to Lok Sabha on 06.09.2013

Laid in Rajya Sabha on 06.09.2013



LOK SABHA SECRETARIAT

NEW DELHI

September, 2013 / Bhadrapada, 1935 (Saka)

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COMPOSITION OF RAILWAY CONVENTION COMMITTEE (2009)

Shri Arjun Charan Sethi, MP - Chairman

MEMBERS OF LOK SABHA

2. Shri Hansraj Gangaram Ahir
3. Dr. Baliram
4. Shri Marotrao Sainuji Kowase
5. Shri Vilas Muttemwar *
6. Shri P. Balram Naik
7. Shri R. K. Singh Patel
8. Shri Ramsinh Rathwa
9. Dr. Arjun Ray
10. Shri C. L. Ruala
11. Shri Radha Mohan Singh (Purvi Champaran)
12. Dr. Girija Vyas

MEMBERS OF RAJYA SABHA

13. Shri Shyamal Chakraborty
14. Shri T Tathinavel****
15. Shri Parvez Hashmi **
16. Shri Rama Chandra Khuntia
17. Dr. Bharatkumar Raut***
18. Shri D.P. Tripathi***

SECRETARIAT

- | | | |
|-------------------------------|---|---------------------|
| 1. Shri Hardev Singh | - | Joint Secretary |
| 2. Smt. Abha Singh Yaduvanshi | - | Director |
| 3. Shri Shilpi Chatterjee | - | Additional Director |
| 4. Smt. Juby Amar | - | Deputy Secretary |
| 5. Smt. Hema Joshi | - | Committee Officer |

* Nominated *vide* Bulletin dated 15.02.2012 as Member of RCC vice Vacancy caused on account of resignation of Shri K. C. Venugopal, MP from the Committee w.e.f 21 December, 2011.

** Ceased to be a Member of the Committee on his retirement from Rajya Sabha on 27.01.2012. Re-nominated w.e.f. 02.02.2012 *vide* Bulletin Part-II No. 3634 dated 06.02.2012.

*** Nominated w.e.f. 10.10.2012 *vide* Bulletin Part-II No. 4545 dated 18.10.2012.

**** Nominated w.e.f. 22.08.2013 *vide* Bulletin Part-II No.51186 dated 23.08.2013.

INTRODUCTION

I, the Chairman of the Railway Convention Committee (2009), having been authorized by the Committee to present the Report on their behalf, present this Eighth Report on Action Taken by the Government on the observations/recommendations contained in their Fifth Report on 'Railways participation in the development of backward regions.'

2. The Fifth Report was presented to Lok Sabha on 19th December, 2012 and laid on the Table of Rajya Sabha on the same day. It contained 13 observations/recommendations. Action Taken replies on all the 13 observations/recommendations were received from the Ministry of Railways (Railway Board).

3. The Committee considered and adopted the Draft Report at their sitting held on 4 September, 2013. The minutes of the sitting of the Committee are given at Appendix-I.

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

5. The Committee place on record their appreciation for the valuable assistance rendered to them by the officials of Lok Sabha Secretariat attached to the Committee.

6. For facility of reference and convenience, the observations/recommendations of the Committee have been printed in bold letters in the Report.

New Delhi ;
4 September, 2013
13 Bhadrapada, 1935 (Saka)

ARJUN CHARAN SETHI,
Chairman,
Railway Convention Committee

PART - I
REPORT
CHAPTER-1

This Report of the Committee deals with the Action Taken by the Government on the observations and recommendations contained in their Fifth Report (15th Lok Sabha) on 'Railway's participation in the development of backward regions' which was presented to Lok Sabha on 19th December, 2012 and laid on the table of Rajya Sabha the same day. It contained thirteen observations/recommendations.

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

- (i) Recommendations/observations which have been accepted by the Government:
Para Nos.72, 73, 74, 78, 79, 80, 81

Total: 7

Chapter-II

- (ii) Recommendations/observations which the Committee do not desire to pursue in view of the Government's replies:
Para Nos. 75, 76, 83

Total: 3

Chapter-III

- (iii) Recommendations/observations in respect of which replies of the Government have not been accepted by the Committee and which require reiteration:
Para Nos.77, 84

Total: 2

Chapter-IV

- (iv) Recommendations/observations in respect of which final reply of the Government is still awaited:
Para No. 82

Total: 1

Chapter-V

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

A. Need for a policy for identification of backward areas for development by Railways

Recommendation S.No. 1 (Para No.72)

4. The Committee had noted that the social burden on the Indian Railways was not a new phenomenon and the Railways, since its inception, had been bearing such obligations. They had noted that the reach and access of its services was continuously expanded and improved by its human resource and by use of cutting-edge technology. It is a vehicle of inclusive growth, connecting regions, communities, ports and centers of Industry, commerce, tourism and pilgrimage across the country. The Indian Railways, therefore, is committed to provide efficient, customer focused and environmentally sustainable integrated transportation solutions. The Committee were aware that Indian Railways is the backbone of India's transport system and has brought about economic development in the areas wherever its network has spread. The Committee were apprised by the Ministry of Finance that they do not define/identify socially backward regions. According to Ministry of Finance each Ministry has its own parameters to identify socially backward regions like the Empowered Action Group (EAG) States under National Rural Health Mission (NRHM), high focus districts for Integrated Child Development Scheme(ICDS), Nirmal Bharat etc. and this identification is done by the line Ministries. The Committee found that there is no laid down policy of State wise categorization regarding identification of projects on socio-economic considerations. They had noted that the details of projects were maintained zone wise and project wise in Railways and there was no classification of ongoing projects on the basis of backward, tribal and underdeveloped area. The Committee were apprised that the projects are identified based on demands from public representative, the State Government or as a part of some development plan/strategic plan. They opined that it was mainly due to this faulty approach and adhocism that about 20 projects taken up on social-economic considerations were pending for the past 15 to 20 years. They found that physical progress in these projects varied from 0 to 99%. ***The Committee had felt that proper policy and basis of identification of projects on social-economic***

consideration should be mandatory as it would help the Railways in completing the surveys of the projects in time and prioritize the implementation of projects. They had recommended that the Railways should clearly lay down policy for identification of areas to be developed through Railway's participation State-wise, identification of projects on social-economic consideration, develop concrete basis such as economic development indices/population/demand from public representatives, strategic location etc. They emphasized that details of projects should be maintained separately for backward, tribal and underdeveloped areas to facilitate proper monitoring of utilization of funds and progress made.

5. In their action taken reply, the Ministry of Railways have stated as under:

"Railway identifies and processes sanctioning of projects on railway zone-wise on the basis of requirement/need, strategic plan, specific demand from the states and public representatives etc. The identification of socially backward regions of the country for rail connectivity is done by Planning Commission which is the apex body dealing with Central ministries, States and special regions in the areas of connectivity, fund allocation and development. This function is beyond the domain of the Railways. Railways have continuous interaction with Planning Commission regarding the quantum of Gross Budgetary Support (GBS) for funding New Lines, Gauge Conversion and Doubling works as Railways' internal generation is inadequate to fund the capital intensive projects. Discussions are currently in progress with the Planning Commission as to how socially desirable and backward connectivity projects are to be sanctioned and funded. In this connection, an Inter-Ministerial Group with Secretary (Planning), Planning Commission as Convener and Chairman, Railway Board and Secretary/Revenue, Ministry of Finance as Members is being set up to address this issue".

6. The Ministry of Railway in their reply have stated that the identification of socially backward regions of the country for rail connectivity is done by the Planning Commission and this function is beyond the domain of the Railways. Ministry of Railway, however, have continuous interaction with the Planning Commission regarding the quantum of Gross Budgetary support (GBS) for funding the capital intensive projects. The Committee note that an Inter-Ministerial Group (IMG) with Secretary-Planning Commission as Convenor and Chairman, Railway Board and Secretary Revenue, Ministry of Finance as Members is being set up to address the issue of sanctioning and funding of socially desirable and backward connectivity projects.

The Committee are aware of the fact that the identification of socially backward regions of the country for rail connectivity is done by Planning Commission yet had recommended that a proper policy and identification of projects on socio-economic consideration should be taken up by Ministry of Railways mandatorily. They desire that in addition to discussing the issue of sanctioning and funding of socially desirable and backward connectivity projects, the need for a policy for identification of areas to be developed through Railway's participation should also be considered by the aforesaid Inter-Ministerial Group.

As the Ministry in their Action Taken Replies has remained silent on the issue, the Committee reiterate that details of projects should be maintained separately for backward, tribal and underdeveloped areas so as to facilitate proper monitoring of utilization of funds sanctioned for projects in these particular areas.

The Committee also suggest that the aforesaid Inter-Ministerial Group be set up at the earliest under intimation to the Committee.

B. Need to check diversion of funds

Recommendation S.No. 3 (Para No. 73)

7. The Committee had strongly felt that there had to be an exclusive monitoring mechanism in the Ministry of Railways for the projects in the backward areas to oversee that the funds were not being diverted and to keep an eye on the progress of the projects. Keeping in view the fund constraints, there was also an emergent need for observing utmost circumspection in the matter of asking investment in backward areas. The Committee had emphasized that the basic consideration should be the overall development of backward regions tribal and hilly areas and other under developed areas.

8. In their action taken reply, the Ministry of Railways have stated as under:

"As has been brought out in reply to recommendations contained in Para 72, identification of socially backward regions of the country for rail connectivity is done by Planning Commission. However, all projects having rate of return less than the benchmark of 14% are considered socially desirable projects such projects are generally located in underdeveloped & backward areas. Railways have undertaken large number of new line & gauge conversion projects for development of backward, tribal, remote, hilly & other underdeveloped area.

Funds once allotted are generally not diverted except under exceptional circumstances when it is expected that progress of works will get affected due to extraneous reasons not under direct control of Railways. There are necessary checks and balances at all levels to ensure that no funds are diverted without going through elaborate procedure of re-appropriation through different budgetary stages such as August review, Revised Estimate etc."

9. The Committee note that funds are diverted only under exceptional circumstances when it is expected that progress of works will get affected due to extraneous reasons not under the direct control of Railways. The Committee would like to be intimated about diversion and re-appropriation of funds made in respect of projects in socially backward areas during the last three years and also the reasons therefor. The Committee desire that even when the funds are diverted under exceptional circumstance, these should preferably be spent only on other Railway's projects on socio-economic considerations and in backward and hilly areas.

C. Formulation of a viable funding mechanism

Recommendation S.No. 3 (Para No. 74)

10. The Committee had noted that Indian Railways has throwforward liability of Rs.1,45,000 crore for the ongoing projects and limited availability of resources including Budgetary Support of about Rs.15,000 crore to Rs.25,000 crore annually. Keeping in view the financial constraints of the Ministry of Railways, the Committee felt that providing total budgetary support for projects in socially and economically backward areas in one go was difficult but at least phase wise allocation might be made. The Committee viewed that as a commercial organization, the Railways which had a separate budget of its own with an inherent freedom to formulate their policies should manage its resources in such a way as to strike balance between its commercial interest and social obligation of developing backward areas. **The Committee had, therefore, recommended that the Railways should formulate viable funding mechanism for development of backward areas through routes such as cost sharing by State Governments, getting free land from the beneficiary States and also by generating funds internally through scrupulous implementation of financial discipline, cutting wasteful expenditure and probing other avenues such as commercial use of Railway's surplus land etc., rather than solely being dependent upon Gross Budgetary Support.**

11. In their action taken reply, the Ministry of Railways stated as under:-

"The funding mechanism is being constantly reviewed by Ministry of Railways. Scopes for generation of resources are being constantly explored through scrupulous implementation of financial discipline, cutting wasteful expenditure and probing other avenues such as commercial use of Railway's surplus land etc.

Railways have been requesting States to come forward to share cost of socially desirable projects. To this end, Railways have been successful to certain extent, as now some of the States have agreed to provide land free of cost and for sharing cost of the project. 10 State Govts. have come forward for taking up projects on cost sharing and at present 38 projects covering a length of more than 5160 Km have been taken up on cost sharing with State Govt."

12. The Ministry of Railways have stated that they are constantly reviewing their funding mechanism of projects and have been requesting the States to come forward to share the cost of socially desirable projects for easy connectivity of rail lines and development of backward areas. Some of the States have agreed to provide land free of cost and 10 States Governments have come forward for taking up projects on cost sharing basis. The Committee would urge Railways to pursue other State Governments vigorously, which are not so forthcoming to share the burden of socially desirable Railway projects, by emphasizing that these would lead to better connectivity and development of the local areas besides generation of employment within the State. The Committee would also like to recommend that a dedicated task force may be set up in the Ministry of Railways to oversee the progress in this regard and also to ensure that the projects which are being executed with the help of State Governments are completed in a time bound manner and the Railway's share of cost is disbursed timely for scheduled completion of the projects.

The Committee would like to strongly reiterate their recommendation to generate more funds through financial discipline such as by commercial use of Railways surplus land etc.

C. Creating employment opportunities for youth

Recommendation S.No. 6 (Para No.77)

13. The Committee had noted that Vision 2020 of Indian Railways addresses one of the biggest development challenges of contemporary India, namely growth with jobs and not jobless growth. There was an emergent need to connect the remote and backward areas through socially desirable rail connectivity schemes to foster growth and fulfill the aspirations of the common man by providing much needed employment opportunities directly or indirectly through forward and backward linkages so that they can reap the fruits of economic development. They, therefore, felt that productive employment opportunities must be created for all, especially for youth. They were of the view that the development of backward and undeveloped areas by Railways is a step in right direction. It will help to achieve the aims of Vision 2020 and accelerate economic growth, besides opening up new avenues for employment in the primary, secondary and tertiary sectors. ***The Committee, therefore, recommended that while developing the remote and underserved areas of the country, the Railways must ensure that employment opportunities for the local unemployed youth are generated so that they become part of the inclusive and integrative growth as also bring them in the national mainstream of development.***

14. In their action taken reply, the Ministry of Railways stated as under:-

"Indian Railways has brought about economic development in area wherever its network has spread. But economic growth of the area, especially backward area, is dependent on the factors apart from availability of rail network. However, provision of rail network does act a catalyst for accelerated growth and reaches out to the poorer & vulnerable section of society. It brings about many tangible & intangible benefits including direct & indirect employment to the inhabitants of the area which gets connected with Railway network."

15. The Committee are not satisfied with the evasive and non-specific reply of the Railways to their recommendation. The Committee feel that the Railways should not shy away from giving direct employment to eligible unemployed youth in these backward areas and discourage them to migrate to urban areas in search of employment or remain unemployed. Though, it is understood that provision of rail network in backward areas brings about many tangible and intangible benefits including direct and indirect employment to the inhabitants of the area, yet the Committee reiterate that employment opportunities for the local unemployed youth in backward areas be generated by Railways in such areas. To this end local youths in these areas may be given preference for various jobs which are created while extending the rail network to these backward areas. Such a move by Railways will surely lead to inclusive growth and also help in bringing the people of these regions into the mainstream of development. The Committee would like to be apprised of the direct employment generated due to 139 projects based on socio-economic basis, so far.

E. Need for reprioritization of projects

Recommendation S.No. 13 (Para No.84)

16. The Committee had noted with concern that the existing criteria for prioritization of projects has led to unproductive results. The Committee found that because of the large shelf of ongoing projects particularly under new lines and gauge conversion, the limited resources available get spread thinly over a large number of project leading inevitably to a very long gestation period. The funds invested in the projects get locked up and do not yield any return. The Committee were, therefore, of the view that under the prevailing financial situation, the existing criteria requires a thorough review so as to allocate the funds to the projects based on realistic needs. The priority criteria must lead to a result oriented fund allocation process. The Railways should address the issue of re-prioritization of projects at the earliest so that the scarce and valuable resources are utilized productively. They felt that the Ministry of Railways must work out an effective strategy and prepare a project wise priority of their projects in consultation with the Planning Commission and Ministry of Finance so as to execute those projects first. ***The Committee, therefore, recommended that the Ministry of Railways must carry out a fresh exercise on re-prioritization of projects in descending orders of necessity, i.e. extremely essential, desirable and not required at present, zone wise considering the available budget allocation as well as need to complete as many projects as possible within a reasonable time period. They also urged the Ministry of Railway to adopt multi-modal approach to connectivity and review the necessity of their projects in backward regions and strategic locations in the backdrop of the launching of the ambitious national highway programme covering 4000 km as well as the status completion Railway projects and throw-forward of such projects. The Committee would like to be apprised of the action taken by the Ministry in this regard.***

17. In their action taken reply, the Ministry of Railways stated as under:-

"Railways have undertaken the exercise of reprioritisation of projects in order to give focussed attention to important projects and prevent thin spread of resources so that projects get assured funding and are completed early. Projects under Doubling, New Lines, Gauge Conversion and Electrification have been prioritised into three categories,

viz., Priority A, B and C. Further, Priority A has been divided into A1, A2, A3, A4 & A5. The priority list has been categorised as 'A1' National Projects, 'A2' Cost Sharing Projects, 'A3' Immediate Critical Projects, 'A4' Medium Critical Projects, 'A5' Important Projects Not Critical, 'B' Other Projects, and 'C' Least Priority Projects.

These projects are funded through GBS as Railways' internal generation, despite hike in freight and fares, is inadequate to fund the capital intensive projects under doubling, new lines and gauge conversion. As Railways have to depend fully on GBS for execution of sanctioned projects under doubling, new lines, gauge conversion and electrification, the progress of projects depend upon availability of funds. The GBS received in the last five years by Railways is given below in the table:-

GBS Summary (Rs in crore)

2009-10		2010-11		2011-12		2012-13		2013-14	
Asked	Recd	Asked	Recd	Asked	Recd	Asked	Recd	Asked	Recd
22160	17716	21925	19318	41686	21824	48855	26317	39500	27102

Infrastructure	No. of works in progress	Length (in km)	Cost (Rs in crore)	Throw Forward on 1 st April, 13 (Rs in crore)
New Lines	156	17114	151395	114394
Gauge Conversion	43	9986	40805	22824
Doubling	169	9287	51069	40998
Electrification	37	10119	10516	7202
DFC Project	2	3338	85814	78582
Total	407	49844	339599	264000

In order to give a boost to the internal generation, freight rates have been hiked recently and fares have been raised by an acceptable level. A fuel adjustment component has also been introduced. Furthermore, Railways is going for Market Borrowings in order to supplement the supply of funds to the tune of Rs.15,000 crore in 2013-14. Additionally, Railways has also planned to mop up funds through PPP to the extent of approx Rs.6,000 crore. The requisite policy has already been floated to attract private capital for rail infrastructure. Railways are able to allocate funds to projects under Doubling, New Lines, Gauge Conversion and Electrification only according to the quantum of GBS received from the Government. As the shelf of the project is large, many projects get inadequate funds."

18. The Railways in their reply have stated that they have undertaken the exercise of reprioritization of projects in order to give focussed attention to important projects as recommended by the Committee. However, the Ministry of Railways have not apprised the Committee about initiating a multi-model approach to connectivity. The Committee reiterate their earlier recommendation and urge the Ministry of Railways to initiate the adoption of multi-model approach to connectivity, review the necessity of their projects in backward regions and strategic locations in the backdrop of the launching of the ambitious national highway programme covering 4000 kms. by the Ministry of Road Transport and Highways.

CHAPTER-II

RECOMMENDATIONS AND OBSERVATIONS WHICH HAVE BEEN ACCEPTED BY THE GOVERNMENT

Recommendation S.No. 1 (Para No.72)

The Committee note that the social burden on the Indian Railways is not a new phenomenon and the Railways, since its inception, have been bearing such obligations. They note that the reach and access of its services is continuously expanded and improved by its human resource and by use of cutting-edge technology. It is a vehicle of inclusive growth, connecting regions, communities, ports and centers of Industry, commerce, tourism and pilgrimage across the country. The Indian Railways, therefore, is committed to provide efficient, customer focused and environmentally sustainable integrated transportation solutions. The Committee are aware that Indian Railways is the backbone of India's transport system and has brought about economic development in the areas wherever its network has spread. The Committee were apprised by the Ministry of Finance that they do not define/identify socially backward regions. According to Ministry of Finance each Ministry has its own parameters to identify socially backward regions like the Empowered Action Group (EAG) States under National Rural Health Mission (NRHM), high focus districts for Integrated Child Development Scheme(ICDS), Nirmal Bharat etc. and this identification is done by the line Ministries. The Committee found that there is no laid down policy of State wise categorization regarding identification of projects on socio-economic considerations. They note that the details of projects are maintained zone wise and project wise in Railways and there is no classification of ongoing projects on the basis of backward, tribal and underdeveloped area. The Committee were apprised that the projects are identified based on demands from public representative, the State Government or as a part of some development plan/strategic plan. They are of the opinion that it is mainly due to this faulty approach and adhocism that about 20 projects taken up on social-economic considerations are pending for the past 15 to 20 years. They found that physical progress in these projects varied from 0 to 99%. ***The Committee had feel that proper policy and basis of identification of projects on social-economic***

consideration should be mandatory as it will help the Railways in completing the surveys of the projects in time and prioritize the implementation of projects. They recommend that the Railways should clearly lay down policy for identification of areas to be developed through Railway's participation State-wise, identification of projects on social-economic consideration, develop concrete basis such as economic development indices/population/demand from public representatives, strategic location etc. They emphasize that details of projects should be maintained separately for backward, tribal and underdeveloped areas to facilitate proper monitoring of utilization of funds and progress made.

Reply of the Government

Railway identifies and processes sanctioning of projects on railway zone-wise on the basis of requirement/need, strategic plan, specific demand from the states and public representatives etc. The identification of socially backward regions of the country for rail connectivity is done by Planning Commission which is the apex body dealing with Central ministries, States and special regions in the areas of connectivity, fund allocation and development. This function is beyond the domain of the Railways. Railways have continuous interaction with Planning Commission regarding the quantum of Gross Budgetary Support (GBS) for funding New Lines, Gauge Conversion and Doubling works as Railways' internal generation is inadequate to fund the capital intensive projects. Discussions are currently in progress with the Planning Commission as to how socially desirable and backward connectivity projects are to be sanctioned and funded. In this connection, an Inter-Ministerial Group with Secretary (Planning), Planning Commission as Convener and Chairman, Railway Board and Secretary/Revenue, Ministry of Finance as Members is being set up to address this issue.

[Ministry of Railways, (Railway Board) O.M. No.2009/RCC/206/5 dated 30.5.2013]

Recommendation S.No. 2 (Para No.73)

The Committee strongly feel that there has to be an exclusive monitoring mechanism in the Ministry of Railways for the projects in the backward areas to oversee that the funds are not being diverted and to keep an eye on the progress of the projects. Keeping in view the fund constraints, there is also an emergent need for observing utmost circumspection in the matter of asking investment in backward areas. The Committee would also like to emphasize that the basic consideration should be the overall development of backward regions tribal and hilly areas and other under developed areas.

Reply of the Government

As has been brought out in reply to recommendations contained in Para 72, identification of socially backward regions of the country for rail connectivity is done by Planning Commission. However, all projects having rate of return less than the benchmark of 14% are considered socially desirable projects such projects are generally located in underdeveloped & backward areas. Railways have undertaken large number of new line & gauge conversion projects for development of backward, tribal, remote, hilly & other underdeveloped area.

Funds once allotted are generally not diverted except under exceptional circumstances when it is expected that progress of works will get affected due to extraneous reasons not under direct control of Railways. There are necessary checks and balances at all levels to ensure that no funds are diverted without going through elaborate procedure of re-appropriation through different budgetary stages such as August review, Revised Estimate etc.

[Ministry of Railways, (Railway Board) O.M. No.2009/RCC/206/5 dated 30.5.2013]

Recommendation S.No. 3 (Para No. 74)

The Committee note that Indian Railways has throwforward liability of Rs.1,45,000 crore for the ongoing projects and limited availability of resources including Budgetary Support of about Rs.15,000 crore to Rs.25,000 crore annually. Keeping in view the financial constraints of the Ministry of Railways, the Committee feel that providing total budgetary support for projects in socially and economically backward areas in one go is difficult but at least phase wise allocation may be made. The Committee are of the view that as a commercial organization, the Railways which has a separate budget of its own with an inherent freedom to formulate their policies should manage its resources in such a way as to strike balance between its commercial interest and social obligation of developing backward areas. **The Committee, therefore, recommend that the Railways should formulate viable funding mechanism for development of backward areas through routes such as cost sharing by State Governments, getting free land from the beneficiary States and also by generating funds internally through scrupulous implementation of financial discipline, cutting wasteful expenditure and probing other avenues such as commercial use of Railway's surplus land etc., rather than solely being dependent upon Gross Budgetary Support.**

Reply of the Government

The funding mechanism is being constantly reviewed by Ministry of Railways. Scopes for generation of resources are being constantly explored through scrupulous implementation of financial discipline, cutting wasteful expenditure and probing other avenues such as commercial use of Railway's surplus land etc.

Railways have been requesting States to come forward to share cost of socially desirable projects. To this end, Railways have been successful to certain extent, as now some of the States have agreed to provide land free of cost and for sharing cost of the project. 10 State Govts. have come forward for taking up projects on cost sharing and at present 38 projects covering a length of more than 5160 Km have been taken up on cost sharing with State Govt.

[Ministry of Railways, (Railway Board) O.M. No.2009/RCC/206/5 dated 30.5.2013]

Recommendation S.No. 7 (Para No.78)

The Committee appreciate the fact that the Ministry of Railways have conceptualized a scheme for development of backward area through Pradhan Mantri Rail Vikas Yojana (PMRVY) which is under formulation. The Committee also welcome the announcement by the Ministry of Railways in her Budget Speech for the 2011-12 that 114 socially desirable projects whose survey reports have been updated, are proposed to be included in the list of projects under PMRVY. They also note that the additional funding assistance required is assessed to be about Rs.5 lakh crore under the PMRVY from the Government. The Committee was, however, apprised by the Planning s that PMRVY was not even discussed by the Ministry of Railways before its formulation in the existing form. The Planning Commission does not agree to the PMRVY scheme in the present form. The Committee was also apprised by Ministry of Finance that PMRVY Scheme is totally unrealistic and it completely at variance with the situation on ground and the Ministry of Finance did not support the proposal for a PMRVY Fund. The Committee feel that Ministry of Railways should have discussed the scheme with the Planning Commission and Ministry of Finance before its formulation and announcement on the floor of the House by the Minister for Railways in her Budget Speech for the year 2011-12. The Committee recommend that the Ministry in the first instance should consider the proposals after detailed consultation/deliberations with the Ministry of Finance and Planning Commission. They should also make other detailed study of those proposal before bringing out the same in their policy document/ Future Plans and also explore other avenues of funding it rather than completely depending upon GBS. ***The Committee also recommend that under PMRVY, projects for the development of the backward regions should be separately identified along with the funds needed to complete these projects and separate dedicated non lapsable funds should be earmarked for these projects to facilitate their timely completion.***

Reply of the Government

The recommendations of the committee have been noted. It is stated that the formulation of a Draft Cabinet Note for creation of (Prime Minister Rail Vikas Yojana) PMRVY Fund has been processed as per the laid down norms of the government, which includes inter-ministerial consultation (Ministry of Finance & Planning Commission) before approaching Cabinet for approval. Under this scheme, not only the pending socially desirable projects, which were not progressing for want of funds, but many other similar projects which could not be sanctioned earlier were proposed to be taken up. PMRVY envisaged creation of a non lapsable fund of the order of Rs 5 Lakh Crores toward investment in Railway over next ten years. In the Preliminary responses, the proposal has not met with support either from the Planning Commission or the Ministry of Finance. However, Ministry of Railways will keep on pursuing this to its logical conclusion.

[Ministry of Railways, (Railway Board) O.M. No.2009/RCC/206/5 dated 30.5.2013]

Recommendation S.No. 8 (Para No.79)

The Committee note that as per the Vision 2020 document of Indian Railways (brought out in 2009), an investment of about Rs.14,00,000 crore is needed for augmentation of capacity addition, up-gradation and modernization of Railways in the next 10 years. They also note that out of this, about Rs.5,00,000 crore is proposed to be funded through Accelerated Rail Development Fund(ARDF) to be spent over the next 10 years and roughly rs.1,00,000 crore would be set aside from the ARDF to clear the backlog of socially desirable, new lines and gauge conversion projects. They were, however, apprised that ARDF is yet to be constituted. In fact, Railways have not yet even put forward the proposal for the ARDF. The Committee now find that 114 socially desirable projects. Whose survey reports have been updated, are proposed to be included in the list of project under PMRVY. PMRVY envisages creation of non lapsable fund of the order of Rs.5,00,000 crore towards investment in the railways over the next ten years. The Committee note that PMRVY fund is the proposal which comes out of the concept of ARDF. The Committee were apprised that PMRVY is under

formulation stage and Cabinet Note has been initiated in the Ministry of Railways for funding the existing and future socially desirable projects. They do not approve of the approach of the Ministry of Railways to switch over from one scheme to another without ensuring implementation or even having any serious discussion of the proposals in their long term policies such as in Vision 2020/PMRVY. The Committee do not accept that the Railways being a mammoth organization, employer of the largest number of employees and biggest catalyst in development of regions, should mislead the people by announcing schemes without any concrete basis and support. Prudence demands that the Railways should, while conceptualizing large schemes involving huge expenditure, consult the Ministry of Finance and Planning Commission which are the modal agencies of the Government of India that supervises the overall development plans of the country. ***They recommend the Railways to desist from temptation of announcing non-feasible schemes without having financial support, rather they should emphasize that the Railways first prioritize and focus financial closure of their projects and announce any such scheme only after due consultation with the Ministry of Finance and Planning Commission.***

Reply of the Government

The recommendations of the Committee have since been noted. An exercise of prioritization has already been carried out to give focus attention to projects to avoid thin spread of funds. As regards announcing of new schemes, an Inter-Ministerial Group comprising of Members from Ministry of Finance, Planning Commission and Ministry of Railways have been constituted to arrive at an agreed position & way forward for sanctioning of new schemes.

[Ministry of Railways, (Railway Board) O.M. No.2009/RCC/206/5 dated 30.5.2013]

Recommendation S.No. 9 (Para No. 80)

The Committee note that a non-lapsable fund for railway projects in the north-east region has been created recently to provide sustained funding to expedite projects in the region. All the State capital of the region except Sikkim will get connected by rail network in seven years. The Committee feel that being a border State, it is strategically important to connect Sikkim also with rail network with other adjoining States. ***The Committee, therefore, recommend that all necessary steps should be taken to provide rail network in Sikkim in a time bound manner under the existing non lapsable fund for north east region and apprise the Committee of the same.***

Reply of the Government

Presently Sikkim is not having any railway network. Sivok-Rangpo new line project has been taken up for providing connectivity to Sikkim. Survey for new line to provide connectivity to Gangtok i.e. capital of Sikkim has been conducted. Cost of construction of this 69 Km long proposed line between Rangpo & Gangtok is assessed as Rs. 4165 Crore with (-) 11% Rate of Return. Proposal was processed for sanction of project but was not supported by Ministry of Finance citing huge shelf of already sanctioned National Projects.

[Ministry of Railways, (Railway Board) O.M. No.2009/RCC/206/5 dated 30.5.2013]

Recommendation S.No. 10 (Para No.81)

The Committee were informed that an Expert Committee has been constituted on 21.09.2011 for modernization of Indian Railways under the Chairmanship of Shri Sam Pitroda to, inter-alia, recommend ways and means to modernize Indian Railways so meet the challenges of economic growth, the aspirations of the common man, the needs of changing technology and the expanding market, while at the same time ensuring adequate focus on addressing social and strategic requirements of the country in consonance with Indian Railways national aspirations. The Terms of Reference (T&R) of the Committee also included

recommendations on strategies for modernization of Railways with a focus on track, signaling, rolling stock and stations and terminals; using ICT for improving efficiency and safety; augmenting existing capacities of Railways through indigenous development and review of projects and PPP issues. They are surprised to note that the issue of funding of socially desirable projects was not specifically referred to the Expert Committee of Indian Railways headed by Shri Sam Pitroda. The Committee express their displeasure and feel that the issue of financing of socially desirable projects should have been referred to the Expert Committee for a comprehensive study. ***The Committee now recommend that the issue of funding of socially desirable projects should be examined separately by an Expert Committee and ways and means, other than Gross Budgetary Support, should be explored to complete projects in time in key areas of development in Railways.***

Reply of the Government

The recommendation of the Committee has been noted.

[Ministry of Railways, (Railway Board) O.M. No.2009/RCC/206/5 dated 30.5.2013]

CHAPTER-III

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

Recommendation S.No. 4 (Para No.75)

The Committee note that 139 projects of new line and gauge conversion have been taken up for development of backward, tribal, remote, hilly and other under developed areas. Out of these projects, 106 are newline projects and 33 are gauge conversion projects. These have not been considered justifiable on the basis of financial rate of return of 14% and have been taken up primarily on social-economic consideration. They feel that investment in infrastructure creation without benchmark return ultimately results in deficit financing. The Committee also feel that infrastructure creation helps economic development of the resources. They are of the view that the Railways being the most important segment of infrastructure, the Government should significantly enhance budgetary support to Railways with dedicated non-lapsable funding to ensure completion of vital socio-economic projects on time to achieve inclusive growth and development of backward regions in both tangible and intangible terms. **The Committee, therefore, recommend the Government to consider enhancement of Gross Budgetary Support to Ministry of Railway to enable them to complete the on-going projects in backward areas which are otherwise not financially viable while meeting the requirement of capacity augmentation in line with the growth in economy especially the Vision 2020 targets. The Committee, however, at the same time recommend to the Ministry of Railways to keep their house in order by bringing necessary financial reforms, observing financial discipline and prioritizing their activities by completing the last mile projects.**

Reply of the Government

Railway ministry has taken up the issue of Gross budgetary Support funding for the Railway lines with Ministry of Finance & Planning Commission regularly, but positive response

are not forthcoming. Railway Ministry is already exercising necessary financial reforms, observing financial discipline to prop up internal generation.

It is constant endeavour on part of Ministry of Railways to control expenditure by enforcing austerity and economic measures. Besides hike in passenger fare and freight, Railway's finance has been insulated by implementing Fuel adjustment Component (FAC) linked revision for freight traffic.

Railway have already undertaken the exercise of prioritization of project to reap maximum benefit out of the investment being made and present thin spread of funds. Last mile projects have been given top priority to assured funding for early completion.

[Ministry of Railways, (Railway Board) O.M. No.2009/RCC/206/5 dated 30.5.2013]

Recommendation S.No. 5 (Para No.76)

The Committee note that economic growth of a region is dependent upon multiple factors, apart from availability of rail network which acts as a catalyst for accelerated growth. They feel that an effective coordination amongst all the stakeholder has to be there. Different Ministries of the Government particularly, the Ministry of Railways, Ministry of Finance, Ministry of Environment and Forest, Ministry of Home Affairs, Planning Commission, local MP/MLA/MLC, private entrepreneurs, State Governments and local beneficiaries are all stakeholders and, therefore, they should work in unison with a common goal to develop the area. The Committee are of the view that if such a coordinated system could be put in place, it will help in overcoming hurdles and issues relating to identification of backward areas, acquisition of land, environment clearance, State funding resolving local resistance, etc. The Committee, therefore, recommend that the Government should ensure proper coordination among the stakeholders with an aim to clear all the impediments and road-blocks to enable timely commencement and completion of vital and strategically important socio-economic projects in backward areas.

Reply of the Government

Railway is doing its best to ensure proper co-ordination among the stakeholders with an aim to clear all the impediments and road-blocks to enable timely commencement and completion of vital and strategically important socio-economic projects in backward areas. State Governments have been requested to participate by way of Cost Sharing and allotment of land free of cost for Railway projects in their States, including socially desirable projects. Hon'ble Minister of Railways have from time to time requested Chief Ministers of the State Governments to participate in funding of these projects to the extent of giving land free & share 50% construction cost for expediting the implementation of these projects. To this end, railways have been successful to certain extent as brought out in reply/remarks to recommendation contained in Para No. 74.

Other impediments and road blocks in execution of projects are delay in land acquisitions, forestry clearances, law and order problems etc. To overcome these road blocks, regular meetings are held with concerned State Govt. authorities at appropriate level. This is continued till the impediments are eventually removed.

[Ministry of Railways, (Railway Board) O.M. No.2009/RCC/206/5 dated 30.5.2013]

Recommendation S.No. 12 (Para No.83)

The Committee find that the facility of tax free bonds to the extent of Rs.10,000 crore has been provided to the Railways in the General Budget (2012-13) to raise funds from the open market. This facility was also made available to the Railways during the Budget year 2011-12. The Committee were informed that Railways have not raised funds through the tax free bonds route to the extent of Rs.10,000 crore due to long gestation period of the railways projects along with high rate of interest (debt-servicing cost of additional borrowing). They, however, feel that though the money cannot be viably used for project involving huge capital investments with long gestation period yet the same could be fruitfully utilized for the last mile projects with above 90% completion. The Committee recommend that the funds so raised through tax free bonds, route may be utilized to complete the last mile projects and such other

socially desirable project which are at the final stage of completion so that once these projects are commissioned, returns start flowing.

Reply of the Government

During the year 2011-12, the Indian Railway Finance Corporation Limited (IRFC) had mobilized an amount of Rs. 7,000 crore through issue of tax-free bonds, out of which Rs. 2,078.49 crore was utilized to finance last mile doubling and electrification projects, which are expected to be completed by 2014-15. IRFC has mobilized an amount of Rs. 6,916 crore through issue of tax-free bonds in 2012-13. These funds were earmarked for acquisition of rolling stock, which is an essential part of the Railways' Plan expenditure and also considered the most suitable option for funding from bonds. Utilization of market borrowings for projects, which are perceived by lenders as riskier, has the effect of increasing the cost of borrowings.

Considering the overall resources position vis-a-vis funding requirement under various Plan Heads, it is considered imperative that funds for projects, including last mile and other priority projects, are sourced from Budgetary Support from the Government. In fact, the last mile projects have been given top priority for assured funding to reap benefits on their early completion.

[Ministry of Railways, (Railway Board) O.M. No.2009/RCC/206/5 dated 30.5.2013]

CHAPTER - IV

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

Recommendation S.No. 6 (Para No.77)

The Committee note that Vision 2020 of Indian Railways addresses one of the biggest development challenges of contemporary India, namely growth with jobs and not jobless growth. There is an emergent need to connect the remote and backward areas through socially desirable rail connectivity schemes to foster growth and fulfill the aspirations of the common man by providing much needed employment opportunities directly or indirectly through forward and backward linkages so that they can reap the fruits of economic development. They, therefore, feel that productive employment opportunities must be created for all, especially for youth. They are of the view that the development of backward and undeveloped areas by Railways is a step in right direction. It will help to achieve the aims of Vision 2020 and accelerate economic growth, besides opening up new avenues for employment in the primary, secondary and tertiary sectors. ***The Committee, therefore, recommend that while developing the remote and underserved areas of the country, the Railways must ensure that employment opportunities for the local unemployed youth are generated so that they become part of the inclusive and integrative growth as also bring them in the national mainstream of development.***

Reply of the Government

Indian Railways has brought about economic development in area wherever its network has spread. But economic growth of the area, especially backward area, is dependent on the factors apart from availability of rail network. However, provision of rail network does act a catalyst for accelerated growth and reaches out to the poorer & vulnerable section of society. It brings about many tangible & intangible benefits including direct & indirect employment to the inhabitants of the area which gets connected with Railway network.

Comments of the Committee

(Please see Para No.15 of Chapter I of the Report)

Recommendation S.No. 13 (Para No. 84)

The Committee note with concern that the existing criteria for prioritization of projects has led to unproductive results. The Committee find that because of the large shelf of ongoing projects particularly under new lines and gauge conversion, the limited resources available get spread thinly over a large number of project leading inevitably to a very long gestation period. The funds invested in the projects get locked up and do not yield any return. The Committee are, therefore, of the view that under the prevailing financial situation, the existing criteria requires a thorough review so as to allocate the funds to the projects based on realistic needs. The priority criteria must lead to a result oriented fund allocation process. The Railways should address the issue of re-prioritization of projects at the earliest so that the scarce and valuable resources are utilized productively. They feel that the Ministry of Railways must work out an effective strategy and prepare a project wise priority of their projects in consultation with the Planning Commission and Ministry of Finance so as to execute those projects firsts. ***The Committee, therefore, recommend that the Ministry of Railways must carry out a fresh exercise on re-prioritization of projects in descending orders of necessity, i.e. extremely essential, desirable and not required at present, zone wise considering the available budget allocation as well as need to complete as many projects as possible within a reasonable time period. They also urge the Ministry of Railway to adopt multi-modal***

approach to connectivity and review the necessity of their projects in backward regions and strategic locations in the backdrop of the launching of the ambitious national highway programme covering 4000 km as well as the status completion Railway projects and throw-forward of such projects. The Committee would like to be apprised of the action taken by the Ministry in this regard.

Reply of the Government

Railways have undertaken the exercise of reprioritisation of projects in order to give focussed attention to important projects and prevent thin spread of resources so that projects get assured funding and are completed early. Projects under Doubling, New Lines, Gauge Conversion and Electrification have been prioritised into three categories, viz., Priority A, B and C. Further, Priority A has been divided into A1, A2, A3, A4 & A5. The priority list has been categorised as 'A1' National Projects, 'A2' Cost Sharing Projects, 'A3' Immediate Critical Projects, 'A4' Medium Critical Projects, 'A5' Important Projects Not Critical, 'B' Other Projects, and 'C' Least Priority Projects.

These projects are funded through GBS as Railways' internal generation, despite hike in freight and fares, is inadequate to fund the capital intensive projects under doubling, new lines and gauge conversion. As Railways have to depend fully on GBS for execution of sanctioned projects under doubling, new lines, gauge conversion and electrification, the progress of projects depend upon availability of funds. The GBS received in the last five years by Railways is given below in the table:-

GBS Summary (Rs in crore)

2009-10		2010-11		2011-12		2012-13		2013-14	
Asked	Recd	Asked	Recd	Asked	Recd	Asked	Recd	Asked	Recd
22160	17716	21925	19318	41686	21824	48855	26317	39500	27102

Infrastructure	No. of works in progress	Length (in km)	Cost (Rs in crore)	Throw Forward on 1 st April, 13 (Rs in crore)
New Lines	156	17114	151395	114394
Gauge Conversion	43	9986	40805	22824
Doubling	169	9287	51069	40998
Electrification	37	10119	10516	7202
DFC Project	2	3338	85814	78582
Total	407	49844	339599	264000

In order to give a boost to the internal generation, freight rates have been hiked recently and fares have been raised by an acceptable level. A fuel adjustment component has also been introduced. Furthermore, Railways is going for Market Borrowings in order to supplement the supply of funds to the tune of Rs.15,000 crore in 2013-14. Additionally, Railways has also planned to mop up funds through PPP to the extent of approx Rs.6,000 crore. The requisite policy has already been floated to attract private capital for rail infrastructure. Railways are able to allocate funds to projects under Doubling, New Lines, Gauge Conversion and Electrification only according to the quantum of GBS received from the Government. As the shelf of the project is large, many projects get inadequate funds.

Comments of the Committee

(Please see Para No.18 of Chapter I of the Report)

CHAPTER - V

RECOMMENDATIONS/OBSERVATIONS IN RESPECT OF WHICH FINAL REPLY OF THE GOVERNMENT IS STILL AWAITED

Recommendation S.No. 11 (Para No.82)

The Committee acknowledges the significant role being played by the Ministry of Railways in socio-economic development of the country by providing social connectivity to the remote, backward and tribal regions without any financial considerations. They were informed that socially desirable New Line and Gauge Conversion were and financially viable and most of these projects cannot be structured on stand-alone basis and, therefore, Public-Private Partnership (PPP) is not suitable for these projects. The Committee, however, feel that the Railways should be actively involved and should make efforts to attract funding in rail projects through PPP initiatives which is seen as a major initiative to attract capital for creation of public infrastructure in the approach paper for the 12th Five Year Plan. At the same time, they understand that private funding is difficult to be attracted in areas which are not commercially lucrative and have a long gestation period. ***The Committee are, therefore, of the view that some sort of incentive in the form of tax relief or tax holidays can be offered to private investors which can attract private sector towards these socially desirable projects in backward areas. They recommend the Ministry of Railways to seriously examine the prospects of PPP in these projects in consultation with the Ministry of Finance and apprise the Committee of the same.***

Reply of the Government

All infrastructure projects have long gestation period and are capital intensive. Many of such Railway projects involving construction of New Line or Gauge Conversion though may be socially desirable but may not be financially viable. In order to make investments in socially

desirable projects attractive under Public-Private Partnership (PPP) arrangement, tax incentive and concessions can be offered in the form of:

- (i) Tax holidays under Income Tax Act;
- (ii) Exemption from Central Excise and Custom Duty on purchase of capital goods and revenue goods;
- (iii) Exemption of Sales Tax and VAT;
- (iv) Exemption from payment of Octroi and Entry Tax.

Ministry of Railways will approach Ministry of Finance after formulating the proposal.

[Ministry of Railways, (Railway Board) O.M. No.2009/RCC/206/5 dated 30.5.2013]

New Delhi:

4 September, 2013

13 Bhadrapada, 1935 (Saka)

ARJUN CHARAN SETHI

Chairman,
Railway Convention Committee

RAILWAY CONVENTION COMMITTEE (2009)

MINUTES OF THE 32ND SITTING OF THE COMMITTEE HELD ON WEDNESDAY, THE 4TH SEPTEMBER, 2013

The Committee sat from 1500 hrs. to 1630 hrs. in Committee Room 'C', Ground Floor, Parliament House Annexe, New Delhi.

PRESENT

Shri Arjun Charan Sethi - Chairman

Members **Lok Sabha**

2. Shri Hansraj Gangaram Ahir
3. Shri R.K. SinghPatel
4. Shri Ramsinh Rathwa
5. Shri C.L. Ruala

Rajya Sabha

6. Shri T Rathinavel
7. Shri Bharatkumar Raut
8. Shri D.P Tripathi

Secretariat

- | | | | |
|----|--------------------|---|---------------------|
| 1. | Shri Hardev Singh | - | Joint Secretary |
| 2. | Shri S. Chatterjee | - | Additional Director |

Representatives of the Ministry of Railways (Railway Board)

S.No	Name	Designation
1.	Shri Kul Bhushan	Member Electrical
2.	Shri R. Kashyap	Financial Commissioner, Railways
3.	Ms. Saroj Rajware	Adviser(Finance)
4.	Shri H.V. Sharma	OSD/PRI
5.	Shri Rajiv Datt	Managing Director, Indian Railway Finance Corporation

2. At the outset, the Chairman welcomed the members to the sitting of the Committee. Thereafter, the Committee considered and after due deliberations adopted the Draft Eighth Report on 'Railway's participation in the development of backward regions'.

3. The Committee also authorised the Chairman to finalise the Report and present the same to the Parliament.

(The witnesses were then called in)

4. The Chairman welcomed the officials of the Ministry of Railways (Railway Board) and drew the attention of the witnesses to 'Directions by the Speaker' regarding confidentiality of proceedings of the Committee. Thereafter, the Managing Director, Indian Railway Finance Corporation (IRFC) gave a power-point presentation and briefed the Committee about the functioning of IRFC.

5. The members raised various issues like the strategy/policies adopted by IRFC to finance acquisition of rolling stock assets and development needs of Indian Railways, regulations contemplated to secure debt servicing in future and arrangement of supplementary requirements of funds other than budgetary support for big railway projects, constraints faced by the IRFC in borrowing money from the open market and the measures taken to cope with the same etc.

6. The officials of Ministry of Railways responded to the queries. The Committee desired that written information on the points on which information was not readily available might be furnished to the Secretariat within 15 days.

7. The Committee also decided to undertake study visit to Srinagar, Mumbai and Bangaluru and Mysore from 25.9.2013 to 30.9.2013.

A verbatim record of the proceedings has been kept.

The Committee then adjourned .

APPENDIX

(Vide Para 4 of the Introduction)

ANALYSIS OF THE ACTION TAKEN BY THE GOVERNMENT ON THE RECOMMENDATIONS/OBSERVATIONS CONTAINED IN THE FIFTY REPORT OF THE RAILWAY CONVENTION COMMITTEE (2009)

I	Total number of recommendations	13
II	Recommendations/observations which have been accepted by the Government: Para Nos.72, 73, 74, 78, 79, 80, 81	07 54%
III	Recommendations/observations which the Committee do not desire to pursue in view of the Government's replies: Para Nos.75, 76, 83	03 23%
IV	Recommendations/observations in respect of which replies of the Government have been accepted by the Committee and which require reiteration: Para Nos.77, 84	02 15%
V	Recommendations/observations in respect of which replies of which final reply of the Government is still awaited: Para No.82	01 8%