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**STANDING COMMITTEE ON RAILWAYS
(2011-12)
FIFTEENTH LOK SABHA**

**MINISTRY OF RAILWAYS
(RAILWAY BOARD)**

**[Action taken by the Government on the recommendations/ observations
contained in the 11th Report of the Standing
Committee on Railways (Fifteenth Lok Sabha)
on 'Demands for Grants - 2011-12 of the Ministry of Railways']**

THIRTEENTH REPORT



**LOK SABHA SECRETARIAT
NEW DELHI**

April, 2012/ Vaisakha, 1934 (Saka)

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STANDING COMMITTEE ON RAILWAYS
(2011-12)

(FIFTEENTH LOK SABHA)

MINISTRY OF RAILWAYS
(RAILWAY BOARD)

**[Action taken by the Government on the recommendations/ observations
contained in the 11th Report of the Standing
Committee on Railways (Fifteenth Lok Sabha)
on Demands for Grants 2011-12 of the Ministry of Railways]**

Presented to Lok Sabha on 25.04.2012
Laid in Rajya Sabha on 26.04.2012



LOK SABHA SECRETARIAT
NEW DELHI

April, 2012/ Vaisakha, 1934 (Saka)

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COMPOSITION OF THE STANDING COMMITTEE ON RAILWAYS (2011-12)

Shri T. R. Baalu - Chairman

MEMBERS

LOK SABHA

2. Shri Khiladi Lal Bairwa
3. Shri Ram Sunder Das
4. Smt. Maneka Gandhi
5. Shri Pralhad Joshi
6. Shri Bapi Raju Kanumuru
7. Dr. Nirmal Khatri
8. Dr. (Smt.) Botcha Jhansi Lakshmi
9. Shri Anand Prakash Paranjape
10. Shri Somabhai G. Koli Patel
11. Dr. Padmsinha Bajirao Patil
12. Smt. Satabdi Roy
13. Smt. Yashodhara Raje Scindia
14. Shri Sharief-ud-din `Shariq`
15. Shri Gopal Singh Shekhawat
16. Shri Ganesh Singh
17. Chaudhary Lal Singh
18. Kunwar Rewati Raman Singh
19. Shri Lalji Tandon
20. Dr. Girija Vyas
21. Shri Nama Nageswara Rao*

RAJYA SABHA

22. Shri K.E. Ismail
23. Shri Om Prakash Mathur
24. Smt. Kusum Rai
25. Shri Ambeth Rajan
26. Shri Tarini Kanta Roy
27. Shri T.M. Selvaganapathi
28. Shri Ishwar Singh
29. Shri Ramchandra Prasad Singh
30. Vacant**
31. Shri Nandi Yellaiah

* Nominated vide LSS Bulletin Part-II No.3390 dated 25.11.2011.

** Ms. Sushila Tiriya retired on 03.04.2012 vide RSS ID No.1(2)/2011-Coord. dated 12.03.12

SECRETARIAT

- | | | | |
|----|-----------------------|---|---------------------|
| 1. | Shri K. Vijaykrishnan | - | Joint Secretary |
| 2. | Shri Abhijit Kumar | - | Director |
| 3. | Shri Arun K. Kaushik | - | Additional Director |
| 4. | Smt. Geeta Parmar | - | Under Secretary |
| 5. | Smt. Savita Bhatia | - | Committee Officer |

INTRODUCTION

I, the Chairman of the Standing Committee on Railways (2011-12), having been authorized by the Committee to present the Report on their behalf, present this Thirteenth Report of the Committee on Action Taken by the Government on the Recommendations/Observations contained in the Eleventh Report of the Standing Committee on Railways on Demands for Grants - 2011-12 of the Ministry of Railways.

2. The Eleventh Report was presented to the Lok Sabha on 17.08.2011 and it contained 39 recommendations/observations. The Ministry of Railways have furnished their Action Taken Replies on all the recommendations/observations.

3. The Committee considered and adopted the Draft Action Taken Report at their sitting held on 24.04.2012.

4. An analysis of the action taken by the Government on the recommendations/observations contained in the Eleventh Report of the Standing Committee on Railways (Fifteenth Lok Sabha) is given in Appendix-II.

NEW DELHI;
24 April, 2012
4 Vaisakha, 1934 (Saka)

T.R. BAALU,
Chairman,
Standing Committee on Railways

CHAPTER I

REPORT

This Report of the Standing Committee on Railways (2011-12) deals with the Action Taken by the Government on the recommendations and observations contained in the Eleventh Report of the Committee on Demands for Grants - 2011-12 of the Ministry of Railways.

2. The Eleventh Report was presented to the Lok Sabha on 17.08.2011 and laid on the Table of the Rajya Sabha on the same day. It contained 39 recommendations/observations.

3. Action Taken Notes in respect of all the recommendations/observations contained in the Report have been received and categorized as under:

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

Para Nos. 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 13, 14, 15, 16, 18, 19,
20, 23, 24, 25, 26, 27, 28, 29, 30, 32, 33, 34, 35, 36,
37 and 39

Total : 33
Chapter-II

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

Para No. 22

Total : 1
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 No. 12, 17 and 21

Total : 3
Chapter-IV

- (iv) Recommendations/Observations in respect of which final replies are still awaited -

Para Nos. 31 and 38

Total : 2
Chapter-V

4. The Committee trust that utmost importance will be given to implementation of the recommendations/observations accepted by the Government. In cases where it is not possible for the Department to implement the recommendations in letter and spirit for any reason, the matter should be reported to the Committee with reasons thereof. The Committee further desire that Action Taken Notes on the recommendations/observations contained in Chapter-I and final action taken replies to the recommendations contained in Chapter-V of this Report should be furnished to them at the earliest.

5. The Committee will now deal with the Action Taken by the Government on some of their recommendations/observations.

A. Fixed Infrastructure

Recommendation (Para Nos. 7, 8 and 9)

(Para No. 7)

6. The Committee had noted with satisfaction that the Railways would be exceeding the original targets of the XI Five Year Plan for New Lines and Electrification. Against the XI Plan targets of 2000 Km New Lines and 3500 Km of Rail Electrification, the Railways are expecting to complete 2771 Km New Lines and 4416 Km of Rail Electrification. However, they were constrained to observe that during the mid-term review by the Planning Commission, the targets for Doubling and Gauge Conversion have been revised downward. Against the original targets of 6000 Km for Doubling and 10000 Km for Gauge Conversion, the targets have been reduced drastically to 2500 Km and 6000 Km, respectively. The plea given by the Ministry that the achievements would still be 150% to 200% more than the achievements in the previous plan (X Plan) period is untenable as targets are fixed keeping in view the requirement of certain projects; as such, comparing under-achievements of the XI Plan with the achievements of the previous Plan is unacceptable. The reasons adduced by the Ministry for the downward revision of the above said targets like delays in land

acquisition and forestry clearance, contractual delays due to unprecedented increase in price of steel, adverse law and order conditions in certain areas, etc., are unconvincing. The Committee, therefore, strongly desired that the Ministry should seriously strengthen their monitoring mechanism, identify the factors actually responsible for the slow execution of projects and take immediate corrective steps to avoid any such future delays.

(Para No. 8)

7. The Committee had noted that another reason for the downward revision of the targets in respect of doubling and gauge conversion is the wide gap between the availability and requirement of funds for the execution of the projects. The Committee would like the Ministry to formulate concrete plans for important projects and accordingly place their demands in a more convincing manner so that such top priority projects are not starved of funds and get adequate allocations at the BE/RE stage.

(Para No. 9)

8. The Committee were informed that gauge conversion in Railways started in the year 1993-94 and till date all routes with the sole exception of 8,000 Kms, have been converted. Out of the same, about 2500 Kms are hill Railways and narrow gauge lines. The rest of all the routes has been sanctioned and the work is in progress in sections. In some places, the terrain is difficult and the returns are not very good. It will take almost three to four years' time to cover all the routes. The Committee are concerned to find that though the work for gauge conversion started way back in 1993-94, there are still 8000 Km. left for gauge conversion. They, therefore, recommended that the Ministry should pay special attention to the work of gauge conversion in the left over 8000 Kms, including areas which are either hilly and where returns are not good due to difficult terrain as it is of crucial importance for people residing in those areas.

9. In their action taken reply to para nos. 7, 8, and 9, the Ministry of Railways have stated as under:

“Regarding the concern expressed by Hon'ble Standing Committee in these Paras as regards the downsizing of the original targets for construction of Gauge Conversion and Doubling projects, the Ministry of Railways would put forward that the main reasons behind non-completion of the ongoing projects are delays faced by them in land acquisition and forestry clearance, contractual delays due to unprecedented increase in price of materials, adverse law and order condition in certain areas, etc. which are practical ones and would request Hon'ble Committee to kindly appreciate the same. Above all, the slow progress of various projects is owing to non-availability of adequate funds through Gross Budgetary Support. The railways are now making all efforts to create extra budgetary support such as participation by State Governments/beneficiaries, additional funds for National Projects as also implementation through Rail Vikas Nigam Limited through Special Purpose Vehicles to lead all the targeted projects towards completion within fixed time-frame. In order to overcome such financial constraints, the Ministry of Railways have strengthened field-level reporting system.

As regards the Recommendations of the Hon'ble Committee about setting upward revised targets for construction of New Lines, Gauge Conversion or Doubling for enhancing throughput capacity for taking care of increased traffic owing to high growth in the economy in the coming years, it is stated that the railways would adhere to targets for each project provided timely provision of fund allocation is assured at the time of approval of each project.”

10. While noting the Ministry of Railways' reply that many practical difficulties are faced by them while executing the original targets for gauge conversion and doubling, the Committee are of the strong view that such problems were not new to the Ministry and could have easily

been avoided with foresight, proper management and timely remedial measures wherever difficulties arose. The Committee, therefore, reiterate their earlier recommendations and desire the Government to take immediate corrective steps and formulate concrete plans for timely completion of the targets set.

The Committee also observe that the recommendation of the Committee that the Ministry should pay special attention to the work of gauge conversion in the left over 8000 kms, including in areas which are either hilly where returns are not good due to difficult terrain as it is of crucial importance for people residing in those areas, has not been given due attention. They reiterate their earlier recommendation and desire the Government to inform the Committee about the specific steps taken in this regard.

B. Rolling Stock

Recommendation (Para Nos. 10 and 11)

(Para No. 10)

11. The Committee had regretted to note that during the mid-term appraisal of the XI Five Year Plan, there was a downward revision in the targets for coaches and diesel as well as electric locomotives. The original XI Five Year Plan targets of 22500 coaches, 1800 diesel locomotives and 1800 electric locomotives had been revised downward sharply to 18550 coaches, 1379 diesel locomotives and 1205 electric locomotives. Further, the likely achievement in respect of coaches is 17234 coaches, i.e. 1316 coaches less than the already reduced target of 18550 coaches. The Committee were dismayed by the justification proffered by the Ministry that though the targets had been reduced, the achievements would be nearly double of that achieved during the previous Plan period. This justification is not sustainable under any circumstances and such approach defeats the very purpose of budgeting. The Committee trusted that in future the

Ministry would avoid such an approach so that the very purpose of the budgeting exercise was well served.

(Para No. 11)

12. The reason advanced by the Ministry for the downward revision is the gestation time for new diesel and electric locomotives. The Committee failed to understand why the gestation period was not taken into consideration while fixing the targets. The Committee considered such down sizing of Plan targets as unacceptable and, therefore, strongly recommended that while fixing targets, all the factors affecting the achievement of targets should be factored in well in advance so as to avoid downward revision of the physical targets subsequently.

13. In their action taken reply to para nos. 10 and 11, the Ministry of Railways have stated as under:

“The recommendation of the Committee is noted for future guidance.”

14. The Committee are not satisfied with the reply of the Ministry. The Committee note with concern that instead of strengthening their monitoring mechanism and ascertaining the factors responsible for the shortfall, the Ministry have justified the downward revision in the targets for coaches and diesel as well as electric locomotives by stating that the achieved targets are nearly double from the previous Plan period.

The Committee are also not convinced by the reason advanced by the Ministry for the downward revision in the gestation time for new diesel and electric locomotives. The reason cited by the Ministry was very much present at the planning stage itself, given the perennial nature of the problem.

The Committee, therefore, reiterate their earlier recommendation that while fixing targets all the factors that could affect the achievement of targets should be factored in well in advance so as to avoid downward revision of the physical targets subsequently.

C. Shortage of Coaches

Recommendation (Para No. 12)

15. The Committee observed that there were shortage of coaches in Railways and many coaches are due for overhauling / replacement. They further noted to their dismay that no specific reason has been mentioned by the Ministry for shortfall of targets in respect of coaches. The Committee desired to be apprised of the same and also of the strategy adopted by the Ministry to overcome the existing problem of shortage of coaches in order to improve the efficiency of rail services and for the safety of passengers.

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

“Neither periodic overhauling of coaches nor replacement of overaged coaches has been postponed by the Railways. The new trains announced in the Railway Budget are also being introduced during the year and as such there is no shortage of coaches in the system. But there are pockets of unfulfilled demands.

The shortfall in coach production vis- a -vis the XI Plan targets is on account of the long gestation period in setting up the Raebareli Coach Factory and less production by M/s. BEML Ltd. vis-à-vis its commitment.

Strategy to increase coach production: The commissioning of Raebareli Coach Factory is being expedited. New Coach factories are also being set up at Haldia and Kanchrapara for DMUs and EMUs respectively. A new coach factory has been announced to be set up at Palghat. The capacity

of Integral Coach Factory, Chennai is being expanded. These measures will further improve availability of coaches.”

17. The Committee are not convinced with the reply tendered by the Ministry regarding shortage of coaches. While examining DFG 2011-12, the Ministry had furnished the XI Plan original target and likely achievement in the XI Plan in respect of production and procurement of coaches, as 22500 and 17274, respectively, i.e., 5226 coaches less than the original target. Further, in their action taken replies, the Ministry have stated that the shortfall in coach production during XI Plan targets is due to long gestation period in setting up the Raebareli Coach Factory and less production by M/s. BEML Ltd. *vis-à-vis* its commitment and that they have a strategy to increase coach production by setting up new coach factories at Haldia, Kanchrapara and Palghat.

The Committee feel that merely by announcing the setting up of new coach factories, the Ministry cannot overcome the existing problem of shortage of coaches. The Committee emphasise that the Railways should make all efforts to expedite the process of implementation of these projects in order to improve the availability of coaches. The Committee would like to be kept abreast of the steps/measures being taken by the Ministry and the progress made thereafter.

D. Gross Traffic Receipt

Recommendation (Para Nos. 13, 14 and 15)

(Para No.13)

18. The Committee had noted with concern that since the first year of the XI Five Year Plan, i.e. 2007-08, there has been a continuous trend of shortfall in the Gross Traffic Receipt of the Indian Railways. During 2007-08, 2008-09 and

2009-10, the Gross Traffic Receipts were short of the R.E. target by Rs.1035 crore, Rs. 2531 crore and Rs.1392 crore, respectively, The Committee took a serious note of the shortfalls in Gross Traffic Receipts and apprehend that this trend may continue in 2010-11 and 2011-12 as well.

(Para No.14)

19. The reasons identified for the shortfall in Gross Traffic Receipts in 2007-08 is lesser growth of 3.2% in number of passenger originating as against 5.6% envisaged in R.E. and the lesser yield per million tonne of freight traffic attributable to the rationalization of freight structure and change in commodity-mix. Further, the recessionary trend in the economy noticed in the latter part of 2008-09 impacted the traffic movement of the Railways. Consequently, freight loading for the fiscal at 833 million tonnes fell short of the R.E. target by 17 million tonnes and this, coupled with lower passenger throughput due to drop in average lead, lower parcel earning and non-realization of traffic outstanding, resulted in lesser earnings. In 2009-10, there was less growth in non-suburban passenger segment than the target of 9% which impacted the overall yield of passenger traffic and consequently the passenger earnings. The Railways also could not achieve the revised freight loading target of 890 million tonnes, falling short by 2 million tonnes. These factors, coupled with an accretion of Rs 141 crore to traffic outstandings as against a clearance of Rs.75 crore envisaged in R.E., in a shortfall of Rs. 1392 crore in Gross Traffic Receipts.

(Para No. 15)

20. The Committee had been apprised about the steps taken to improve the freight and passenger services affecting the Gross Traffic Receipts, viz. improved freight incentive policies, freight marketing of select commodities by third parties, liberalized wagon investment scheme, time tabled parcel trains and introduction of refrigerated parcel vans. Further, in order to improve passenger services, several steps are being taken, including the introduction of new trains, increase in frequency of trains, augmenting carrying capacity of trains by adding coaches, introduction of non-stop train service by the name of "Duronto",

introduction of low priced fast train services by the name of "Yuva" for the youth and low income group, introduction of "ladies only" EMU train, launch of Clean Train Station Scheme and On Board House Keeping Service, provision of cushioned seats in unreserved coaches, etc. However, keeping in view the shortfall during the past years, the Committee observed that the steps so far taken by the Railways to raise the Gross Traffic Receipts have not been adequate. They strongly felt that this is an area which warrants the Ministry's serious consideration and appropriate ways and means should be worked out to increase the number of originating passenger traffic and higher yield of freight traffic with a view to curbing the recurring shortfalls in Gross Traffic Receipts. The Committee hoped that with such sincere and concerted efforts, the Railways would optimally achieve the target of Rs. 106239 crore fixed for the year 2011-12 for Gross Traffic Receipts.

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

(Para No. 13)

"The shortfall in receipts in the previous years has been the result of several factors including recession, adjustment in freight rates to remain competitive, non-realization of traffic outstandings from major customers, disruption of traffic due to adverse law and order situation, public agitations and rail-rokos, ban on iron-ore for export etc.

In the year 2010-11, the receipts fell short of the revised estimate target of Rs 97,151 cr by Rs 470 cr contributed primarily by shortfall in passenger by Rs 334 cr, other coaching by Rs 126 cr and sundry earnings by Rs 112 cr. while the freight earnings exceeded the target by Rs 356 cr despite a shortfall in loading and throughput.

The concern of the Committee is noted. The budgeted target of earnings in the current year is being continuously monitored for achievement.

(Para No. 14)

22. The observations of the Committee are noted.

(Para No. 15)

23. The observations of the Committee are noted. All efforts are being made to achieve the budgeted target of earnings.

24. The Committee note the continuous trend of shortfall in the Gross Traffic Receipts (GTR) during 2007-08, 2008-09 and 2009-10. The reasons attributed by the Ministry for shortfall in the Gross Traffic Receipts are recession, adjustment in freight rates to remain competitive, non-realization of traffic outstandings from major customers, disruption of traffic due to adverse law and order situation, public agitations and rail rokos, ban on iron-ore for export, etc. Though the Ministry have stated the steps being taken to improve the freight and passenger services affecting the GTR, the Committee observe that the steps taken so far by the Railways to raise the GTR have not been adequate because the trend of shortfall in GTR has continued during 2010-11. In the year 2010-11, the receipts fell short of the revised estimate target of Rs 97,151 cr by Rs 470 crore contributed primarily by shortfall in passenger earnings by Rs 334 crore, other coach earnings by Rs 126 crore and sundry earnings by Rs 112 crore, while the freight earnings exceeded the target by Rs 356 crore despite a shortfall in loading and throughput.

The Committee feel that the continuous trend of shortfall in the GTR is a serious issue which warrants serious consideration by the Ministry. The Committee, therefore, recommend that all efforts should be made to increase the number of originating passenger traffic and higher yield of freight traffic to curb the recurring shortfalls in GTR.

E. Annual Plan (2011-12) - Budget Grant

Recommendation (Para No. 17)

25. The Committee had observed that the setting up of several rail based industries, infrastructure expansion through construction of new lines. Doubling and metropolitan transport projects are the major thrust areas during 2011-12. With this end in view, the Ministry of Railways have fixed the Annual Plan for 2011-12 at Rs. 57,630 crore which is higher than the Budget Estimates of 2010-11 by Rs. 16,204 crore. As is clear from the foregoing, the Budget provision for 2011-12 has been made on the basis of the availability of resources and the requirement of the Railways and no projects/activities are proposed to be shelved for want of funds. The committee hoped that the Ministry will take timely and appropriate measures to ensure that their important projects will not lag behind in achieving the targets.

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

“Ministry of Railway agree that setting up of several rail based industries, infrastructure expansion through construction of new lines, doubling and metropolitan transport projects are the major thrust areas during 2011-12.

The Budget provisions for 2011-12 have been made on the basis of projected availability of resources. However, it is possible that the budgeted estimates may not be realized to the full extent due to possible constraints in release of funds from the general exchequer as well as constraint in realization of the projected fund requirement from internal and extra budgetary resources.

The Ministry is taking timely and appropriate measures to ensure that important projects do not lag behind in achieving the targets.”

27. The Committee have been apprised that the Budget provisions for 2011-12 have been made on the basis of the projected availability

of resources and that it is possible that the budgeted estimates may not be realized to the full extent due to possible constraints in release of funds from the general exchequer as well as in the realization of the projected fund requirement from internal and extra budgetary resources. However, the Committee note that timely and appropriate measures which have been or are proposed to be taken by the Ministry to achieve the targets fixed for 2011-12 have not been elaborated in the reply. The Committee would like to be informed about these measures and hope that appropriate and strenuous efforts will be made by the Railways to generate adequate funds from various sources so that no project/activity is proposed to be shelved for want of funds.

F. Rolling stock capacity augmentation

Recommendation (Para No. 21)

28. The Committee were concerned to note that during 2010-11, the targets of 18000 wagons, 4621 coaches and 530 locomotives had been revised downward to 14500 wagons, 3700 coaches and 515 locomotives. The reason for the underachievement put forward by the Ministry that while the output of the Railways' own production units was as per the targets, production by those units under the public/private sectors was less than the anticipated level, is not acceptable to the Committee as the Ministry themselves say that the wagon manufacturing Public Sector Units already stand referred to the BIFR. However, it is also stated that except one PSU wagon builder, all other PSU wagon builders have now been taken over by the Railways and most of them are already marching on the path of revival. As regards the private units, except one unit, all other units have shown remarkable improvement in performance. The single unit that has performed badly was solely due to its own internal management problems.

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

“As against the revised target of 14,500 wagons for the year 2010-11, actual acquisition against RSP was 14703 Nos. There has been a consistent improvement in wagon production year after year, as would be seen from the following table:

XI Plan target	Production during			
	2007-08	2008-09	2009-10	2010-11
62000	9101	9646	13068	14703

It would thus be seen that against the XI Plan target of 62000 wagons, 46518 wagons have already been procured till March 2011 against RSP. During the current year, wagon production has got a further boost and production during 2011-12 upto August 2011 has been 8710 wagons against RSP. With the current trend of wagon production, Indian Railways (IR) is confident of achieving the XI Plan target of 62000 wagons.

Besides the above acquisition against RSP, Indian Railways (IR) has also been able to induct 13489 wagons through various leasing schemes during this period.

Total locomotive production during 2010-11 has been 527 (Diesel: 267 + Electric: 260) vis-à-vis the original target of 530 and revised target of 515. Total Coach production during the year has been 3660 vis-à-vis the revised target of 3700.”

30. The Committee are not satisfied with the reply of the Ministry. They would like the Ministry to justify the downward revision in the targets fixed for production of wagons, coaches and locomotives; the Ministry has simply apprised the Committee about the position of already revised targets.

The Committee, therefore, reiterate their earlier observation and desire to be informed about the role of production units under the public/private sectors.

G. Bridge Works

Recommendation (Para No. 23)

31. The Committee had noted with regret that during 2010-11, the target for rebuilding/rehabilitation/strengthening of 1347 number of bridges was reduced to 1050 number of bridges as the outlay for the project was reduced from Rs.408 crore to Rs.317.5 crore, more so because the Railways had asked for an allocation of Rs.461.7 crore at the RE stage. The Committee, however, appreciated the performance of the Railways as they exceeded the reduced target of 1050 bridges and went on to complete the work of 1197 bridges. The Committee are aware that the number of bridges due for repair/rehabilitation is considerably higher than the target fixed for a single year and they are deeply anguished to note the reduced allocation even for the targeted bridges. Keeping in view the safety aspect, the Committee recommended that the Ministry should take up the matter of allocation of more funds for rebuilding/rehabilitation/strengthening of bridges with the Planning Commission in future and ensure that adequate financial allocation is made for the purpose. The Committee would further liked to be apprised of the number of distressed bridges as on date, due for rehabilitation.

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

“The level of funding of this Planhead from 2007-08 is as follows:

(Rs. in cr.)

2007-08 (Actual)	457.36
2008-09 (Actual)	412.38
2009-10(Actual)	355.29
2010-11 (Provisional Actual)	342.18
2011-12(BE)	320.00

Except for the year 2007-08 when about Rs.245 cr. came from SRSF, with major contribution from the General Finance (GBS), a substantial chunk of funds for this Planhead in subsequent years come from internal resources generated by the Railways i.e. DRF and DF. In the last couple of years, Railways' capacity to generate adequate internal resources was adversely affected consequent upon implementation of 6th Central Pay Commission recommendations. With that phase being over, it is expected that the internal resource position of the Railways will improve in subsequent years and increased allotment to Bridge Works would be possible.

Total distressed bridges on Indian Railways were 23 as on 01.04.2011 out of which 3 bridges have been rebuilt/rehabilitated upto July 2011."

33. The Committee have been informed that during the XI Five Year Plan, funds for rebuilding/rehabilitation/strengthening of bridges have come from internal resources generated by the Railways, i.e., Depreciation Reserve Fund (DRF) and Development Fund (DF) except for the year 2007-08 when about Rs. 245 crore came from SRSF, with major contribution from the General Finance (GBS). The Committee have been further informed that the Railways' internal resources generation has come under strain due to the payment of arrears to the employees in the last couple of years following the implementation of the 6th Central Pay Commission recommendations. The Committee hope that all efforts will be made by the Railways to generate adequate internal resources for repair/ rehabilitation of the number of targeted bridges so that work does not suffer for want of funds. Keeping in view the safety aspect, the Committee reiterate that the Ministry should take up the matter of allocation of more funds for rebuilding/rehabilitation/strengthening of bridges with the Planning

Commission and ensure that adequate financial allocation is made for the purpose.

H. Signalling & Telecommunication Works

Recommendation (Para No. 24)

34. The Committee had noted with distress that while Rs.1124.00 crore was allocated for Signalling & Telecom in Railways during 2010-11, it was reduced to Rs.915.00 crore at RE stage; during 2011-12 BE, Rs.1102.00 crore has been kept which is less than the BE of the previous year by Rs.22 crore. As stated, the reduced budget in 2010-11 would affect the achievement with respect to replacement works, track circuiting, LED signals and automatic block signaling. The allotment of funds in the current financial year is also stated to be inadequate to complete these works expeditiously. The Committee have been apprised that targets are kept, commensurate with the budget allocation. It needs reiteration that Signalling & Telecom works in Railways play a major role in reliable, faster and safer operation of trains. The Committee strongly felt that reduction in the annual Plan allocation would put the priorities of the Ministry out of gear which would lead to non-achievement of the Plan targets. They, therefore, recommended that the annual Plan allocation for Signalling and Telecom for 2011-12 be stepped up at the RE stage and the size of the Plan should be maintained at least at the previous level of Rs.1124 crore.

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

“Signalling & Telecommunication Works is one of the planheads catering to important works relating to safety of train operation. A major portion of outlay for this planhead is provided under Depreciation Reserve Fund, Development Fund and Open Line Works (Revenue), funds for which come from the internally generated resources of the Railways. In Budget Estimates 2010-11, the gross outlay for ‘Signalling & Telecommunication Works’ was kept at Rs.1124.20 cr. Due to the impact of implementation of recommendations of VI Central Pay Commission, the Railways capacity

to generate internal resources in 2010-11 was adversely impacted. Due to lesser availability of internally generated resources for Plan investment, the allotments in certain planheads had to be reduced in Revised Estimates 2010-11. The outlay for Signalling & Telecommunication Works was reviewed and kept at Rs.915.25 cr, a reduction of Rs.208.95 cr. However, in Budget Estimates 2011-12 a higher allotment of Rs.1101.88 cr has been made for the planhead. The outlay would be reviewed at the stage of Revised Estimates 2011-12 and suitable provisions would be made for the planhead keeping in view the requirement, trend of expenditure and availability of resources.

36. The Committee are satisfied to note that the outlay for signalling and telecommunication works in the Railway would be reviewed at the stage of Revised Estimates 2011-12 and suitable provisions would be made for the plan head keeping in view the requirement, trend of expenditure and availability of resources. The Committee would like to be informed of the decisions taken by the Ministry in this regard.

I. Railway Research and Development

Recommendation (Para No. 31)

37. The committee had learned that a committee of senior railway officers constituted to review and revamp the working of the RDSO had brought out various factors affecting the Research and Development work at RDSO and had proposed some organizational changes at RDSO, besides suggesting some changes in the Vendor approval work at RDSO. The committee desired to be apprised of the progress made in respect of the implementation of the findings of the said committee.

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

“The Recommendations of the Committee are under examination and implementation would be taken up after a decision is taken on the same.”

39. The Committee note that the recommendations of the Committee of senior railway officers constituted to review and revamp the working of the RDSO, are under examination. The Committee desire that the decision on the implementation of the findings of the said committee may be taken up expeditiously and the Committee apprised of the same at the earliest.

J. Passenger Amenities

Recommendation (Para No. 34)

40. It is pertinent to mention here that the Hon'ble Minister of Railways, in her Budget Speech, had mentioned that in the last two years there had been an announcement to upgrade 584 stations as Adarsh Stations, out of which 442 stations would be completed by March, 2011 and the remaining would be completed in 2011-12. However, as per information recorded above, the achievement in respect of Adarsh Station is only 400. The Hon'ble Minister of Railways further mentioned that out of the 160 MFCs announced, a few had been completed and a few were in the process of completion,. A special target had been given to complete all the MFCs in the subsequent year. However, as per information recorded above, only 7 MFCs could be completed as against the targeted 17 MFCs. Further, a target to complete 49 MFCs is fixed for the current year. The Committee would like to be apprised of the correct position in this regard.

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

“Railway endeavours to achieve the targets for Model, Modern and Adarsh stations subject to availability of funds. As a result of the efforts made, 20 model stations, 10 modern stations, 37 Adarsh stations and 7 MFCs out of the target fixed for the year 2011-12 have also been developed till date. As already submitted before the Committee and also observed by Committee in item no. 32 of the report, 10 MFCs as against the targeted 17 nos. had been completed upto March, 2011. Long term leasing of railway land now requires Cabinet’s approval. Therefore, progress/commissioning of MFCs may be affected.”

42. The Committee note that 20 model stations, 10 modern stations, 37 adarsh stations and 7 MFCs out of the target fixed for the year 2011-12 have been developed. The Committee desire to be apprised of the progress made in this regard and would like to know the latest and correct position of the same.

K. Central Organization for Project Implementation (COPI)

Recommendation (Para No. 38)

43. The Committee had observed that the Hon'ble Minister of Railways, in the Budget Speech 2011-12, had announced a proposal to set up a Central Organization for Project Implementation (COPI) with offices in Delhi, Kolkata, Mumbai and Bangalore, each headed by an officer of the rank of GM. The Committee would like to be apprised of the details of COPI along with its coordination mechanism as soon as such details are finalized.

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

“Setting up of COPI is still under formulation. The Hon'ble Committee would be apprised of the details of COPI alongwith its coordination mechanism as soon as such details are finalized.”

45. While noting the reply of the Government that setting up of Central Organization for Project Implementation (COPI) is under formulation, the Committee reiterate their earlier recommendation and would like to be apprised of the progress made in this regard at the earliest.

CHAPTER – II

RECOMMENDATIONS/OBSERVATIONS WHICH HAVE BEEN ACCEPTED BY THE GOVERNMENT

Recommendation (Para No. 1)

The Committee note that during 2007-08, 2008-09 and 2009-10, the total receipt of the Railways have shown a decline in the actuals as against the Revised Estimates (RE). During 2007-08, 2008-09 and 2009-10, against the RE of Rs. 74,363.76 crore, Rs. 84,233.18 crore and Rs.90,713.07 crore, respectively, the actuals were Rs. 73,276.57 crore, Rs. 81,658.98 crore and Rs. 89,229.29 crore, respectively. Further, during 2010-11 the total receipts have been revised downward to Rs. 97,151.20 crore at RE from Rs. 97,721.55 crore of Budget Estimate (BE). Compared to the previous year of 2010-11, the total receipts at the BE stage for 2011-12 is higher by Rs. 11671.58 crore at Rs.109393.13 crore, which works out to an increase of 11.94 per cent. The Committee are deeply concerned that the Ministry had been far behind the targets of achieving the total receipts as projected by them during the previous years, which clearly indicate that either unrealistic projection were made or the Ministry could not make concerted efforts to realize the targets within the financial year. Looking at the past trend, the Committee are apprehensive of the optimal achievement during 2010-11 and 2011-12 as well. While expressing their desire to be apprised of the reasons for the shortfall in the realization of the total receipts than the projected level, the Committee would like to advise the Ministry to closely monitor their total receipts to ensure optimal achievement of the target fixed at BE stage for the last financial year of the XI Plan.

Reply of the Government

The shortfall in receipts in the previous years has been the result of several factors including recession, adjustment in freight rates to remain competitive, non-realization of traffic outstandings from major customers,

disruption of traffic due to adverse law and order situation, public agitations and rail-ropes, ban on iron-ore for export etc.

In the year 2010-11, the receipts fell short of the revised estimate target of Rs 97,151 cr by Rs 470 cr contributed primarily by shortfall in passenger by Rs 334 cr, other coaching by Rs 126 cr and

sundry earnings by Rs 112 cr, while the freight earnings exceeded the target by Rs 356 cr despite a shortfall in loading and throughput.

It is submitted that targets of earnings represent only reasonable estimates of likely realization during the year and these are affected due to unforeseen factors beyond the control of railways. The target of total receipts for 2011-12 has been placed at Rs 1,09,393 cr. which includes traffic earnings of Rs 1,06,039 cr. based on freight loading target of 993 million tonnes and 8,272 million of originating passengers.

The concern of the Committee has been noted and Ministry of Railways will continue to vigorously monitor the progress of receipts so as to achieve the targeted level.

[Ministry of Railways O.M. No.2011/BC-II/XV/300/1,
dated 04.11.2011]

Recommendation (Para No. 2)

Further an analysis of the expenditure in the past years of the XI Plan reveals the constant increase from Rs. 54942.55 crore in the year 2007-08 to Rs. 72484.53 crore in the year 2008-09 and again from Rs. 83685.20 crore in the year 2009-10 to Rs. 88129.34 crore in the year 2010-11 (RE). Compared to the expenditure in the year 2010-11, the expenditure at BE stage for 2011-12 is higher by Rs. 9270.66 crore at Rs. 97400 crore, which is 10.52 per cent increase. The Committee find to their dismay that the revenue of the Ministry has shown an increase of only 11.94 per cent in the BE of 2011-12 as compared to the RE of the previous year and the expenditure has shown an increase of 10.52 per cent at BE of 2011-12 as compared to the previous year, which seems to nullify the revenue earned by the Ministry.

Reply of the Government

The expenditure allocations of Rs 97,400 cr stated above cover not only the operating working expenditure, the pension liabilities and the miscellaneous expenditure on railway board, RDSO, RRBs, Training Academies etc but also the appropriation to Depreciation Reserve Fund which is utilized for plan finance. Whereas the revenue (total receipts) is estimated at Rs 1,09,393 crore, thus leaving a balance of Rs 11,993 cr to meet the dividend liability and plan resources under Development Fund and Capital Fund.

It is certainly true that the growth in revenues should exceed the growth in expenditure and these have been estimated to be 11.94% and 10.52% respectively in 2011-12. The increased earnings also led to higher appropriation to Depreciation Reserve Fund i.e from Rs 5,700 cr in 2010-11(RE) to Rs 7,000 cr in 2011-12 (BE). It is submitted that the growth in earnings is not nullified but enabled meeting higher level of expenditure both under non-plan and plan.

[Ministry of Railways O.M. No.2011/BC-II/XV/300/1,
dated 04.11.2011]

Recommendation (Para No. 3)

The Committee note that the approved outlay for the XI Five Year Plan is Rs.2,33,289 crore with Gross Budgetary Support (GBS) of Rs. 63635 crore, Internal Resources of Rs. 90000 crore and Extra Budgetary Support of Rs. 79654 crore. They further note with concern that the XI Plan is likely to fall short of the target by Rs. 30,356 crore at Rs. 202932 crore with Gross Budgetary Support (GBS) of Rs. 75765 crore, Internal Resources of Rs. 72519 crore and Extra Budgetary Support of Rs. 54648 crore. The reasons for lower mobilization of internal resources are stated to be the substantial increase in expenditure consequent upon the implementation of the recommendations of the 6th Pay Commission which drained about Rs. 73000 crore of the railway revenue in four years after 2007-08, besides the economic slow down with the GDP growth rate falling from 9% in 2007-08 to 6.7% in 2008-09, resulting in slow growth of the incremental traffic earnings, particularly the freight over the previous year. Further, the lower mobilization of extra budgetary resources is stated to be

primarily due to the non-materialization through the PPP route. While the Committee do appreciate the constraints faced by the Ministry in controlling the expenditure due to the above mentioned factors, the Committee would like to urge the Ministry to give serious consideration to the issue of growing expenditure being incurred under different heads so as to have an effective control over the total expenditure to the extent possible. They would further like to impress upon the Ministry to analyse independently the reasons for the slow growth of their revenue and also the rise in expenditure. They recommend that the Ministry should make strenuous and concerted efforts to control their overall expenditure and also explore ways and means to increase their revenue.

Reply of the Government

The observations of the Committee are noted. Ministry of Railways is in the process of formulating the XII Five Year Plan and these issues will be addressed in these exercises.

[Ministry of Railways O.M. No.2011/BC-II/XV/300/1,
dated 04.11.2011]

Recommendation (Para No. 4)

While examining the Demands for Grants of the Ministry of Railways in the previous years, the Committee had observed that there had been a tendency to fix higher budgetary estimates and subsequently reduce them at the RE stage. The reasons for it could be partly the slow and tardy progress in the execution of projects as well as the non-availability of funds due to shifting priorities. The Committee are informed that with a huge shelf of projects and non-availability of resources, some projects receive lesser allocation of funds. The Ministry are, therefore, taking measures to augment revenues, including mobilization through public private partnerships, cost sharing with State Governments and other stake holders, market borrowings, etc. The Committee are apprehensive whether these would materialize in view of the past records of

the Ministry of Railways in this respect. The Committee would like to stress that the Ministry of Railways should pay serious attention to this aspect.

Reply of the Government

It is correct that in the preceding two years, the allocation of funds in certain Planheads was reduced in the Revised Estimates primarily because estimated internal resources did not materialise owing to the continued impact of implementation of VI Central Pay Commission recommendations etc. With the stabilisation of the impact, the resources position is expected to improve. In addition, Railways are also raising funds through issue of tax-free bonds to finance financially viable projects. Further, the process of formulation of XII Five Year Plan is already underway and the concerns of the Committee will be addressed in these exercises to attract adequate investment in the rail sector for meeting the transport needs of the nation.

[Ministry of Railways O.M. No.2011/BC-II/XV/300/1,
dated 04.11.2011]

Recommendation (Para No. 5)

It is pertinent to mention here that though the Committee had specifically asked the Ministry to name those projects/activities which had to be shelved in view of the paucity of funds, the same had not been provided, which has been seriously taken note of by the Committee. The Committee would further like to be furnished with the details of all the railway projects which have remained unfinished due to lack of funds and what is the quantum of finances required to complete those projects. The Committee would further like to be apprised of the new investment projects of the Railways for which private investment in PPP Projects would be needed. The Committee also forcefully emphasize the fact that efforts should be made to work out the PPP route in future ventures.

Reply of the Government

At present, 129 new line, 45 gauge conversion and 166 doubling projects are being executed by Railways. As on 01.04.2011, throwforward of ongoing projects is approx. Rs. 1.25 Lakh Crores.

Railway has huge throwforward with limited availability of resources. As a result, projects are progressing as per availability of funds. Railway has not shelved projects for paucity of funds. However, projects may have got slowed down due to thin spread of limited resource on the large number of ongoing projects.

31 projects of new line, gauge conversion and doubling have been taken up on cost sharing basis with State Governments. Contribution of funds from State Government will help Railways in expediting completion of these projects.

The following projects have been identified for execution through Public Private Partnership in the 12th Plan period:-

Sl. No.	<u>Project</u>
1.	High speed corridor-Mumbai-Ahmedabad.
2.	Elevated Rail Corridor in Mumbai suburban.
3.	Redevelopment of Stations.
4.	Private freight terminals, leasing of wagons and other freight-marketing schemes.
5.	Port connectivity and SPV.
6.	Dedicated freight corridors.
	Other Projects
7.	Loco and coach manufacturing units.
8.	Renewable energy projects (Solar, Wind, etc.) Energy saving projects. Captive power generation.

[Ministry of Railways O.M. No.2011/BC-II/XV/300/1,
dated 04.11.2011]

Recommendation (Para No. 6)

Passenger & Freight Traffic

The Committee are informed that the main objective for the Railway Sector in the XI Five Year Plan is to create adequate transport capacity to handle the projected passenger and freight traffic growth in the medium and the long term in the Indian economy, and provide improved services to both these segments. They are, however, concerned that though the Railways are expecting to meet the transportation targets and exceed the Passenger Kilometer target, there has been a downward revision in the freight traffic transportation target during the mid term review of the Plan. As against the XI Plan original and revised targets for Originating Traffic(MT) of 1100 and 1020 respectively, the likely achievement is 993. Likewise, as against XI Plan original and revised targets for Net Tonne Kilometre (NTKM) (Billion) of 702 and 674, respectively, the likely achievement is 659 for originating Traffic (MT). The reason for the downward revision in the targets for freight transportation is stated to be largely the reduced demand because of the economic slowdown with the GDP growth rate falling from 9% in 2007-08 to 6.7% in 2008-09, impacting both the domestic demand and the freight traffic. While the Committee understand the constraints faced by the Ministry, they strongly desire that the Ministry should pay focused attention to enhance freight transportation output and explore way and means to get the desired results in order to accomplish the objectives of the XI Plan. They would like to be apprised of the specific steps being taken by the Ministry in this regard.

Reply of the Government

I. Projection of freight traffic (Loading and NTKM) is based on the projection of economic growth in the country especially in the core sectors. Revenue earning freight loading on Indian Railways had grown at a rate of approximately 8.5 per cent from 2003-04 to 2007-08. The same trend continued

in the first half of the year 2008-09 wherein a growth of 8.55 per cent was recorded in freight loading. However, the global slowdown and the down turn in the Indian Economy had an adverse impact on Railway's freight loading in the second half of the year and only 1.76% growth was registered during the second half of 2008-09.

Freight loading during 2009-10 was affected due to restriction imposed by the Government of Orissa on the loading of iron ore from 5th March 2010. In the year 2010-11, the growth rate in the originating freight loading of Indian Railways was only 3.77 per cent primarily on account of negative growth in Iron ore for export. Iron ore growth was affected on account of extraneous factors like the ban on exports in Karnataka, imposition of various regulations for transportation of Ore in State of Odhisha, etc. Continuing ban on iron ore coupled with restriction on mining in Karnataka for all ore, cumbersome process of obtaining clearance from State Government officials of Odhisha has led to a situation where growth in Export ore loading is(-)42.98% and for all Iron ore including export, growth in loading has been (-)2.92% during 2011-12 up to July 2011.

To achieve the original target of 1100 million tonnes of 11th Plan document, the Indian Railways would have reached 1014.5 million tonnes by 2010-11, as against which the actual loading was 921.5 million tonnes. Thus there was a loss of 93 million tonnes in the freight loading up to 2010-11 vis-à-vis pro-rata targets as per 11th Plan document on account of slowdown in the economy and crash in Iron ore loading.

The slowdown effect on account of the global economic crisis affected freight loading vis-à-vis pro-rata targets as per 11th Plan document in Cement(less by 20.5 MT) and Finished Steel(less by 3.5 MT). Apart from slowdown, extraneous factors like the ban on exports in Karnataka, etc. also affected loading of Iron Ore including Iron ore for Exports. The loss in Iron ore vis-à-vis pro-rata target was approx. 76 MT. Losses were to some extent offset

by better performance in freight loading vis-à-vis pro-rata targets in Coal (more by 39.7 MT), Fertilizer (more by 1.7 MT) and POL (more by 5.3 MT).

It can be seen that projection of freight traffic for XI Plan did not materialize due to less than anticipated economic growth and on account of extraneous factors which were not anticipated like the ban on exports in Karnataka, imposition of various regulations for transportation of Ore in State of Odisha, etc. The revised target of 993 MT for the terminal year of the 11th Plan i.e. 2011-12 was primarily on account of the above factors.

II. Initiatives undertaken/ being undertaken to increase freight loading and earnings are as under:

1. Freight Incentive Schemes:

A slew of freight incentive schemes have been introduced with the objective of generating additional traffic volume and additional revenue for the Railways. These Schemes which are in operation since 2006, have since been meaningfully moderated and suitably modified based on experience gained in the interregnum. These schemes have been re-introduced as "The Freight Incentive Schemes and Transportation Products 2009" w.e.f. 1st January, 2010 as under:

I. Incentive Schemes for Loading Bagged Consignments in Open and Flat wagons: For encouraging loading of bagged commodities in open & flat wagons, special freight incentive ranging from 20% to 30% is extended for different commodities on tariff rates.

II. Incentive Schemes for Traditional Empty Flow Direction: To encourage and popularize loading in the empty return direction, graded freight concession of 10% to 40% is offered on Net Tariff Rate for different distance slabs subject to certain conditions.

III. Incentive Schemes for Freight Forwarders: Freight forwarders are levied concessional train load class rate or composite class rate for aggregating and dispatching goods instead of charging at dearer wagon load rates subject to certain conditions.

IV. Incentive Schemes for Incremental Traffic: In order to further boost up dispatches from our regular customers, graded freight concession is afforded

for incremental loading beyond prescribed benchmark plus 10% under certain conditions.

2. Increase in the availability of stock with improved productivity

(i) **Use of FOIS for monitoring:** Improvement in freight loading performance was achieved with intensive monitoring of freight terminals through a computerized Freight Operation Information System (FOIS) for effective reduction in wagon detention.

(ii) **Review of maintenance practices and consequent rationalization:** This has helped to improve availability of rolling stock by reducing ineffective time.

(iii) **Increase in Axle load:** This has helped to increase throughput.

(iv) **Increase in permissible carrying capacity:** For optimization of carrying capacity of wagons, permissible carrying capacities of some open and flat wagons were increased by one tonne with corresponding reduction of one tonne in the loading tolerance. This has helped to increase throughput.

3. In order to create infrastructure with private participation and also long term association for rail transportation, following initiatives has been taken by Railways

(i) Liberalised Wagon Investment Scheme (LWIS):

The objective of the scheme is to invite end-users to invest in High Capacity and Special Purpose Wagons for their commodities to move between their terminals. 36 rakes have been inducted in this scheme.

(ii) Wagon Leasing Scheme (WLS):

This scheme is to develop a strong wagon leasing market by encouraging third party by leasing the wagons particularly with a view to bring in wagons of better design. One Wagon Leasing Company has applied for registration and license.

(iii) Private Freight Terminals (PFT):

The objective of the policy is to enable a rapid development of network of freight handling terminals with the prospective of private sector by offering integrated admission and cost effective logistics and warehousing solutions to

users. In principle approval has been given to 4 PFTs. Proposals for 10 PFTs is waiting for approval with the Zonal Railways.

(iv) Special Freight Train Operators (SFTO):

The objective of the policy is to increase railway share in transportation of non-conventional traffic in High Capacity or Special Purpose Wagons thereby increasing commodity based railway traffic. This provides an opportunity to logistics service providers to invest in wagons for transportation of selected commodities. Approval has been given for movement of caustic soda. One proposal for movement of alumina is waiting clearance.

(v) Automobile Freight Train Operators (AFTO):

This policy provides an opportunity to logistics service providers and road transporters to invest in wagons for transportation of automobiles.

(vi) Kissan Vision Yojna (KVY):

This scheme provides for investment in transportation of perishable traffic. CWC and CONCOR are building cold storage at Singur, Nasik (Ojhar), Jalpaiguri, Naya Azadpur, Dankuni and Machheda.

4. Private containers Train Operators:

In order to capture non-traditional traffic predominantly moving by road and also to increase Railway's share in container traffic, Railway permitted private containers operators other than CONCOR to run container trains on Indian Railway System. So far 16 operators including CONCOR have taken license to run container trains. Despite economic slow down, between 2007-08 to 2010-11, container traffic registered a growth of 20%. In order to attract traffic of small volume moving by road, private Container Operators have been also permitted to load traffic from private sidings.

III. Area of Concern :

Though Indian Railways is making all effort to meet traffic target, it peculiarly is facing immediate problem of shortage of demand vis-à-vis capacities to supply. In the current year, the growth in freight loading up to July 2011 was 7.11 %.. However, there were visible signs of slowdown during August 2011 and September 2011 and growth was only 2.05% and (-) 1.82% respectively. The

growth in freight loading up to September 2011 was 4.80%. A Commodity wise analysis is given below:

a) **Coal:** Pit head coal stocks of CIL have come down by approximately 23.36 MT in the first six months of the current fiscal. Endemic problems like less transportation of coal in CCL and MCL Talcher primarily on account of law & order issues require urgent action by the state governments of Jharkhand and Orissa for further improving despatches. Similarly lack of transportation in the WCL coal fields due to less number of transporters is affecting despatches.

b) Continuing ban on export of iron ore in Karnataka for all ore, cumbersome process of obtaining clearance from State Government officials of Odhisha has led to a situation where growth in Export ore loading is (-)41.76% and for all Iron ore including export, growth in loading has been (-)5.72% up to September 2011.

c) Growth in fertilizer loading is (-) 3.49 per cent up to September 2011 due to lack of import.

d) Adverse affect on foodgrains loading in North India due to lack of storage space in warehouses of FCI at the destination states.

e) Apart from the above, it is estimated that approx. 3.24 MT of originating loading has been lost on account of various bandhs and law & order problems.

f) Continual less demand in POL sector has led to a very marginal growth of 0.37MT in the period of April-Sept.'2011.

[Ministry of Railways O.M. No.2011/BC-II/XV/300/1,
dated 04.11.2011]

Recommendation (Para No. 7)

The Committee note with satisfaction that the Railways would be exceeding the original targets of the XI Five Year Plan for New Lines and

Electrification. Against the XI Plan targets of 2000 Km New Lines and 3500 Km of Rail Electrification, the Railways are expecting to complete 2771 Km New Lines and 4416 Km of Rail Electrification. However, they are constrained to observe that during the mid-term review by the Planning Commission, the targets for Doubling and Gauge Conversion have been revised downward. Against the original targets of 6000 Km for Doubling and 10000 Km for Gauge Conversion, the targets have been reduced drastically to 2500 Km and 6000 Km, respectively. The plea given by the Ministry that the achievements would still be 150% to 200% more than the achievements in the previous plan (X Plan) period is untenable as targets are fixed keeping in view the requirement of certain projects; as such, comparing under-achievements of the XI Plan with the achievements of the previous Plan is unacceptable. The reasons adduced by the Ministry for the downward revision of the above said targets like delays in land acquisition and forestry clearance, contractual delays due to unprecedented increase in price of steel, adverse law and order conditions in certain areas, etc., are unconvincing. The Committee, therefore, strongly desire that the Ministry should seriously strengthen their monitoring mechanism, identify the factors actually responsible for the slow execution of projects and take immediate corrective steps to avoid any such future delays.

Recommendation (Para No. 8)

The Committee note that another reason for the downward revision of the targets in respect of doubling and gauge conversion is the wide gap between the availability and requirement of funds for the execution of the projects. The Committee would like the Ministry to formulate concrete plans for important projects and accordingly place their demands in a more convincing manner so that such top priority projects are not starved of funds and get adequate allocations at the BE/RE stage.

Recommendation (Para No. 9)

The Committee are informed that gauge conversion in Railways started in the year 1993-94 and till date all routes with the sole exception of 8,000 Kms, have been converted. Out of the same, about 2500 Kms are hill Railways and

narrow gauge lines. The rest of all the routes has been sanctioned and the work is in progress in sections. In some places, the terrain is difficult and the returns are not very good. It will take almost three to four years' time to cover all the routes. The Committee are concerned to find that though the work for gauge conversion started way back in 1993-94, there are still 8000 Km. left for gauge conversion. They, therefore, recommend that the Ministry should pay special attention to the work of gauge conversion in the left over 8000 Kms, including areas which are either hilly and where returns are not good due to difficult terrain as it is of crucial importance for people residing in those areas.

Reply of the Government (Para Nos. 7, 8 & 9)

Regarding the concern expressed by Hon'ble Standing Committee in these Paras as regards the downsizing of the original targets for construction of Gauge Conversion and Doubling projects, the Ministry of Railways would put forward that the main reasons behind non-completion of the ongoing projects are delays faced by them in land acquisition and forestry clearance, contractual delays due to unprecedented increase in price of materials, adverse law and order condition in certain areas, etc. which are practical ones and would request Hon'ble Committee to kindly appreciate the same. Above all, the slow progress of various projects is owing to non-availability of adequate funds through Gross Budgetary Support. The railways are now making all efforts to create extra budgetary support such as participation by State Governments/beneficiaries, additional funds for National Projects as also implementation through Rail Vikas Nigam Limited through Special Purpose Vehicles to lead all the targeted projects towards completion within fixed time-frame. In order to overcome such financial constraints, the Ministry of Railways have strengthened field-level reporting system.

As regards the Recommendations of the Hon'ble Committee about setting upward revised targets for construction of New Lines, Gauge Conversion or Doubling for enhancing throughput capacity for taking care of increased traffic owing to high growth in the economy in the coming years, it is stated that the

railways would adhere to targets for each project provided timely provision of fund allocation is assured at the time of approval of each project.

[Ministry of Railways O.M. No.2011/BC-II/XV/300/1,
dated 04.11.2011]

(For comments of the Committee, please see Recommendation Para No.10) of Chapter I)

Recommendation (Para No. 10)

The Committee regret to note that during the mid –term’ appraisal of the XI Five Year Plan, there is a downward revision in the targets for coaches and diesel as well as electric locomotives. The original XI Five Year Plan targets of 22500 coaches, 1800 diesel locomotives and 1800 electric locomotives have been revised downward sharply to 18550 coaches, 1379 diesel locomotives and 1205 electric locomotives. Further, the likely achievement in respect of coaches is 17234 coaches, i.e. 1316 coaches less than the already reduced target of 18550 coaches. The Committee are dismayed by the justification proffered by the Ministry that though the targets have been reduced, the achievements would be nearly double of that achieved during the previous Plan period. This justification is not sustainable under any circumstances and such approach defeats the very purpose of budgeting. The Committee trust that in future the Ministry will avoid such an approach so that the very purpose of the budgeting exercise is well served.

Reply of the Government

The recommendation of the Committee is noted for future guidance.

[Ministry of Railways O.M. No.2011/BC-II/XV/300/1,
dated 04.11.2011]

Recommendation (Para No.11)

The reason advanced by the Ministry for the downward revision is the gestation time for new diesel and electric locomotives. The Committee fail to understand why the gestation period was not taken into consideration while

fixing the targets. The Committee consider such down sizing of Plan targets as unacceptable and, therefore, strongly recommend that while fixing targets, all the factors affecting the achievement of targets should be factored in well in advance so as to avoid downward revision of the physical targets subsequently.

Reply of the Government

The recommendation of the Committee is noted for future guidance.

[Ministry of Railways O.M. No.2011/BC-II/XV/300/1,
dated 04.11.2011]

(For comments of the Committee, please see Recommendation Para No.14) of Chapter I)

Recommendation (Para No.13)

The Committee note with concern that since the first year of the XI Five Year Plan, i.e. 2007-08, there has been a continuous trend of shortfall in the Gross Traffic Receipt of the Indian Railways. During 2007-08, 2008-09 and 2009-10, the Gross Traffic Receipts were short of the R.E. target by Rs.1035 crore, Rs. 2531 crore and Rs.1392 crore, respectively, The Committee take a serious note of the shortfalls in Gross Traffic Receipts and apprehend that this trend may continue in 2010-11 and 2011-12 as well.

Reply of the Government

The shortfall in receipts in the previous years has been the result of several factors including recession, adjustment in freight rates to remain competitive, non-realization of traffic outstandings from major customers, disruption of traffic due to adverse law and order situation, public agitations and rail-rokos, ban on iron-ore for export etc.

In the year 2010-11, the receipts fell short of the revised estimate target of Rs 97,151 cr by Rs 470 cr contributed primarily by shortfall in passenger by Rs 334 cr, other coaching by Rs 126 cr and sundry earnings by Rs 112 cr. while the

freight earnings exceeded the target by Rs 356 cr despite a shortfall in loading and throughput.

The concern of the Committee is noted. The budgeted target of earnings in the current year is being continuously monitored for achievement.

[Ministry of Railways O.M. No.2011/BC-II/XV/300/1,
dated 04.11.2011]

Recommendation (Para No. 14)

The reasons identified for the shortfall in Gross Traffic Receipts in 2007-08 is lesser growth of 3.2% in number of passenger originating as against 5.6% envisaged in R.E. and the lesser yield per million tonne of freight traffic attributable to the rationalization of freight structure and change in commodity-mix. Further, the recessionary trend in the economy noticed in the latter part of 2008-09 impacted the traffic movement of the Railways. Consequently, freight loading for the fiscal at 833 million tonnes fell short of the R.E. target by 17 million tonnes and this, coupled with lower passenger throughput due to drop in average load, lower per cent earning and non-realization of traffic outstanding, resulted in lesser earnings. In 2009-10, there was less growth in non-suburban passenger segment than the target of 9% which impacted the overall yield of passenger traffic and consequently the passenger earnings. The Railways also could not achieve the revised freight loading target of 890 million tonnes, falling short by 2 million tonnes. These factors, coupled with an accretion of Rs 141 crore to traffic outstandings as against a clearance of Rs.75 crore envisaged in R.E., in a shortfall of Rs. 1392 crore in Gross Traffic Receipts.

Reply of the Government

The observations of the Committee are noted.

[Ministry of Railways O.M. No.2011/BC-II/XV/300/1,
dated 04.11.2011]

Recommendation (Para No. 15)

The Committee have been apprised about the steps taken to improve the freight and passenger services affecting the Gross Traffic Receipts, viz. improved freight incentive policies, freight marketing of select commodities by third parties, liberalized wagon investment scheme, time tabled parcel trains and introduction of refrigerated parcel vans. Further, in order to improve passenger services, several steps are being taken, including the introduction of new trains, increase in frequency of trains, augmenting carrying capacity of trains by adding coaches, introduction of non-stop train service by the name of "Duronto", introduction of low priced fast train services by the name of "Yuva" for the youth and low income group, introduction of "ladies only" EMU train, launch of Clean Train Station Scheme and On Board House Keeping Service, provision of cushioned seats in unreserved coaches, etc. However, keeping in view the shortfall during the past years, the Committee observe that the steps so far taken by the Railways to raise the Gross Traffic Receipts have not been adequate. They strongly feel that this is an area which warrants the Ministry's serious consideration and appropriate ways and means should be worked out to increase the number of originating passenger traffic and higher yield of freight traffic with a view to curbing the recurring shortfalls in Gross Traffic Receipts. The Committee hope that with such sincere and concerted efforts, the Railways would optimally achieve the target of Rs. 106239 crore fixed for the year 2011-12 for Gross Traffic Receipts.

Reply of the Government

The observations of the Committee are noted. All efforts are being made to achieve the budgeted target of earnings.

[Ministry of Railways O.M. No.2011/BC-II/XV/300/1,
dated 04.11.2011]

(For comments of the Committee, please see Recommendation Para No.24) of Chapter I)

Recommendation (Para No.16)

The Committee express their deep concern over the shortfall in the achievement of targets for passenger earnings of the Indian Railways. During 2007-08, 2008-09 and 2009-10, passenger earnings were short of the targets by Rs. 231 crore, Rs.399 crore and Rs. 569 crore, respectively. This reflects poorly on the efforts of the Ministry to augment the passenger traffic. The shortfalls have been attributed to the lesser growth in the number of originating passengers, drop in lead and yield of traffic. The Committee fail to appreciate the drop in yield factor because of the cancellation and short termination/diversion of trains due to unforeseen circumstances like fog/floods/bandhs/agitations, etc. as in their opinion, these factors should have been taken into account while fixing the targets. The Committee are afraid that the Ministry would not achieve their targets even in 2010-11 and are, therefore, constrained to recommend that the Railways should thoroughly investigate the reasons for the shortfall of originating passengers and take corrective measures with a view to ensuring achievement of target of Rs.30456 crore fixed for passenger earnings during the last year of the XI Plan. i.e. 2011-12. The Committee would like to be apprised of the specific steps taken in this regard.

Reply of the Government

The assessment of passenger earnings is made duly taking into account the trend analysis in number of passengers, lead etc, the class-mix and fare structure. However, there are certain factors beyond the control of the railways like floods, bandhs, rail-roko, agitations and other law and order situations which result in disruption of traffic. As a result of the above factors, railways fell short of the revised target in passenger earnings in the year 2010-11 by Rs 334 cr.

Taking note of Compounded Annual Growth Rate (CAGR) of 5.3 % in passengers originating achieved in the last eight years and anticipating a higher growth of passenger throughput in the non-suburban segment on account of

introduction of number of long distance new trains envisaged in the budget, the target of passengers originating for 2011-12 was fixed at 8271.67 millions reflecting a growth of 5.6% over the revised estimates of 2010-11. Further anticipating an improvement in yield per passenger km due to change in class-mix as per the traffic plan, the target of passenger earnings has been placed at Rs 30,456 cr in 2011-12 (BE).

Steps Taken to Improve Passenger Earnings

- Indian Railways continuously strive to attract more passengers with a view to have increased earnings by introducing new trains by enhancing load of more popular trains, extending/increasing frequency of existing trains increasing speed of trains by introducing trains with limited stoppage as well as non-stop trains, changing timing of trains to suit passenger's convenience, running special trains and attaching extra coaches in the existing trains.
- Passenger Profile Management analysis is done, over Zonal Railways and in the Railway Board to review occupancy and patronage of trains and accordingly recommend for augmentation of trains having better revenue potential.
- Also facilities on e-ticketing have been enhanced for increased customer convenience. The facility of booking reserved tickets through internet made available from 0030 hours to 2330 hours daily. Service charges for e-tickets reduced to Rs.10/-per ticket for 2S/Sleeper class and Rs.20/- per ticket for all other classes.
- Further Passenger Reservation System (PRS) and Unreserved Ticketing System (UTS) facilities have been extended to more and more locations. Also Automatic ticket vending machines have been introduced to facilitate speedier ticketing.
- Vigorous Ticket Checking Drives are being intensified with a view to have

improved window sale.

- Weekly monitoring is done to get feedback regarding action taken by Zonal Railways with a view to achieve the targets.

[Ministry of Railways O.M. No.2011/BC-II/XV/300/1,
dated 04.11.2011]

Recommendation (Para No.18)

The Committee observe that as outlined in "Vision 2020", a target had been fixed to construct 25000 Route Kilometers of new lines in the next ten years. However, they are constrained to note that during 2010-11, out of the target of 1000 Route Kilometers of new lines construction, the Railways could complete only 709 Route Kilometers of new lines. Surprisingly, the Ministry have submitted that though they completed only 709 Kms of new line constructions in 2010-11, this is almost four times the average progress of 180 Km per year achieved since Independence and almost double of the highest ever performance in one year. In this context, the Committee would like to suggest to the Ministry to maintain the sanctity of the budgetary process and analyse all the factors responsible for the shortfall in the targets during 2010-11, rather than comparing their work with the work completed in the past. The thrust assigned to new line construction in the current financial year bestows greater responsibility on the Ministry, especially when funds to the tune of Rs. 9584 crore, which is 69% higher than the previous year's allocation, have been provided for the project. The Committee, therefore, urge the Ministry to show greater urgency on the completion of work so that there would not be any downward revision of the targets set at BE stage for new lines construction and the target of 1075 Route Kilometers of new lines for the financial year 2011-12 is achieved. At the same time, the Committee are of the opinion that in order to realize "Vision 2020", the target of 1075 Route Kms of new lines construction is too short and hence the same should be revised upward suitably at the RE stage.

Recommendation (Para No.19)

The Committee note that an allocation of Rs. 2552 crore was made at RE stage for 837 Kms of gauge conversions (actual achievement). They further note to their surprise that only Rs. 2776 crore (Rs. 224 crore more than previous year's allocation) has been made for a target of 1017 Km of gauge conversion (180 Km) more than the previous year's target) at the BE stage. The Committee are not convinced with the statement made by the Ministry that additional funds required for the targeted projects will be taken care of at revised budget estimate stage or through re-appropriation. The Committee consider it to be a bad budgeting practice and desire that the Ministry should be more realistic while preparing/projecting its estimates.

Recommendation (Para No.20)

The Committee note that doubling is one of the thrust areas during the year 2011-12 and a higher allocation of Rs. 5418 core has been made which is around 146% higher than the allocation in the previous year for executing 867 Km for doubling of rail lines as well as for progressing other doubling project which are not targeted for completion during 2011-12 but will get completed in the coming year. Further, there are stated to be 163 doubling projects as on 01.04.2011 covering a length of more than 8300 Km which are under various stages of execution. As doubling is stated to be very important in enhancing throughput capacity for taking care of increased traffic due to the projected high growth in the economy in the coming years, the Committee recommend that the physical and financial targets fixed for doubling projects should be strictly adhered to.

Reply of the Government (Para Nos.18, 19 & 20)

Regarding the concern expressed by Hon'ble Standing Committee in these Paras as regards the downsizing of the original targets for construction of Gauge Conversion and Doubling projects, the Ministry of Railways would put forward that the main reasons behind non-completion of the ongoing projects are delays faced by them in land acquisition and forestry clearance, contractual delays due to unprecedented increase in price of materials, adverse law and order condition

in certain areas, etc. which are practical ones and would request Hon'ble Committee to kindly appreciate the same. Above all, the slow progress of various projects is owing to non-availability of adequate funds through Gross Budgetary Support. The railways are now making all efforts to create extra budgetary support such as participation by State Governments/beneficiaries, additional funds for National Projects as also implementation through Rail Vikas Nigam Limited through Special Purpose Vehicles to lead all the targeted projects towards completion within fixed time-frame. In order to overcome such financial constraints, the Ministry of Railways have strengthened field-level reporting system.

As regards the Recommendations of the Hon'ble Committee about setting upward revised targets for construction of New Lines, Gauge Conversion or Doubling for enhancing throughput capacity for taking care of increased traffic owing to high growth in the economy in the coming years, it is stated that the railways would adhere to targets for each project provided timely provision of fund allocation is assured at the time of approval of each project.

[Ministry of Railways O.M. No.2011/BC-II/XV/300/1,
dated 04.11.2011]

Recommendation (Para No. 23)

The Committee note with regret that during 2010-11, the target for rebuilding/rehabilitation/strengthening of 1347 number of bridges was reduced to 1050 number of bridges as the outlay for the project was reduced from Rs.408 crore to Rs.317.5 crore, more so because the Railways had asked for an allocation of Rs.461.7 crore at the RE stage. The Committee, however, appreciate the performance of the Railways as they exceeded the reduced target of 1050 bridges and went on to complete the work of 1197 bridges. The Committee are aware that the number of bridges due for repair/rehabilitation is considerably higher than the target fixed for a single year and they are deeply anguished to note the reduced allocation even for the targeted bridges. Keeping in view the safety aspect, the Committee recommend that the Ministry should

take up the matter of allocation of more funds for rebuilding/rehabilitation/strengthening of bridges with the Planning Commission in future and ensure that adequate financial allocation is made for the purpose. The Committee would further like to be apprised of the number of distressed bridges as on date, due for rehabilitation.

Reply of the Government

The level of funding of this Planhead from 2007-08 is as follows:
(Rs. in cr.)

2007-08 (Actual)	457.36
2008-09 (Actual)	412.38
2009-10(Actual)	355.29
2010-11 (Provisional Actual)	342.18
2011-12(BE)	320.00

Except for the year 2007-08 when about Rs.245 cr. came from SRSF, with major contribution from the General Finance (GBS), a substantial chunk of funds for this Planhead in subsequent years come from internal resources generated by the Railways i.e. DRF and DF. In the last couple of years, Railways' capacity to generate adequate internal resources was adversely affected consequent upon implementation of 6th Central Pay Commission recommendations. With that phase being over, it is expected that the internal resource position of the Railways will improve in subsequent years and increased allotment to Bridge Works would be possible.

Total distressed bridges on Indian Railways were 23 as on 01.04.2011 out of which 3 bridges have been rebuilt/rehabilitated upto July' 2011.

[Ministry of Railways O.M. No.2011/BC-II/XV/300/1,
dated 04.11.2011]

(For comments of the Committee, please see Recommendation Para No.33) of Chapter I)

Recommendation (Para No. 24)

The Committee note with distress that while Rs.1124.00 crore was allocated for Signalling & Telecom in Railways during 2010-11, it was reduced to Rs.915.00 crore at RE stage; during 2011-12 BE, Rs.1102.00 crore has been kept which is less than the BE of the previous year by Rs.22 crore. As stated, the reduced budget in 2010-11 would affect the achievement with respect to replacement works, track circuiting, LED signals and automatic block signaling. The allotment of funds in the current financial year is also stated to be inadequate to complete these works expeditiously. The Committee have been apprised that targets are kept, commensurate with the budget allocation. It needs reiteration that Signalling & Telecom works in Railways play a major role in reliable, faster and safer operation of trains. The Committee strongly feel that reduction in the annual Plan allocation would put the priorities of the Ministry out of gear which would lead to non-achievement of the Plan targets. They, therefore, recommend that the annual Plan allocation for Signalling and Telecom for 2011-12 be stepped up at the RE stage and the size of the Plan should be maintained at least at the previous level of Rs.1124 crore.

Reply of the Government

'Signalling & Telecommunication Works' is one of the planheads catering to important works relating to safety of train operation. A major portion of outlay for this planhead is provided under Depreciation Reserve Fund, Development Fund and Open Line Works (Revenue), funds for which come from the internally generated resources of the Railways. In Budget Estimates 2010-11, the gross outlay for 'Signalling & Telecommunication Works' was kept at Rs.1124.20 cr. Due to the impact of implementation of recommendations of VI Central Pay Commission, the Railways capacity to generate internal resources in 2010-11 was adversely impacted. Due to lesser availability of internally generated resources for Plan investment, the allotments in certain planheads had to be reduced in Revised Estimates 2010-11. The outlay for Signalling & Telecommunication Works was reviewed and kept at Rs.915.25 cr, a reduction of

Rs.208.95 cr. However, in Budget Estimates 2011-12 a higher allotment of Rs.1101.88 cr has been made for the planhead. The outlay would be reviewed at the stage of Revised Estimates 2011-12 and suitable provisions would be made for the planhead keeping in view the requirement, trend of expenditure and availability of resources.

[Ministry of Railways O.M. No.2011/BC-II/XV/300/1,
dated 04.11.2011]

(For comments of the Committee, please see Recommendation Para No.36) of Chapter I)

Recommendation (Para No. 25)

The Committee have been informed that in order to solve the existing problem of fund constraints, the Railways are striving to generate adequate resources to finance Plan investment by ways of better asset utilization, reduction in working expenses and innovative measures to attract investment through public private participation. Besides, special railway safety funds may have to be arranged. The Committee would like to be apprised of the steps being taken by the Ministry to address the issue of fund constraints.

Reply of the Government

Ministry of Railways is in the process of formulating the XII Five Year Plan and these issues will be addressed in these exercises.

[Ministry of Railways O.M. No.2011/BC-II/XV/300/1,
dated 04.11.2011]

Recommendation (Para No. 26)

The Committee has been apprised that the trials with the improved version of ACD, i.e. Train Collision Avoidance System (TCAS), have met with success and will be commissioned on three Zonal Railways, viz. Southern, South Central and South Western Railways. The Committee note that during the year 2011-12, the works of TCAS have been sanctioned in four Railways, viz. Eastern Railway, East

Coast Railway, East Central Railways and South Eastern Railway and an allotment of Rs. 28 crore has been made, including TCAS works in Southern, South Central and South Western Railways. They are, however, constrained to note that though the trials with modified ACD on electrified multiple lines and automatic signalling sections on the Southern Railways were completed in June 2010, the trial results are still under evaluation. The Committee are not satisfied with the pace of implementation of the TCAS. As the project is crucial importance for the safety of passengers, the Committee impress upon the Ministry to strive towards the speedy implementation of TCAS in all the seven Zonal Railways within the prescribed time frame without any failure.

Reply of the Government

Deployment of ACD after initial trials was done on 1736 Route Kilometers on Northeast Frontier Railway (NFR) in 2006. This was a single / double line non-electrified Broad Gauge section. Based on the experience of the NF Railway, to improve reliability and dependability of ACDs and to test its functioning on multiple lines as well as electrified routes, the specifications and design configuration were revised and the system as evolved was tried on the electrified multiple lines automatic signalling section of the Southern Railway in Sep-Oct 2010 & January 2011. Operational and technical problems noticed in Southern Railway trials are being looked into and a new ACD Version- II after successful validation and certification will undergo extensive conformity trials once again.

The ACD works have been sanctioned on Eastern, East Central, East Coast, South Eastern, Southern, South Central and South Western Railways covering 6800 Route Kms, to expedite implementation of ACD version II, subsequent to successful validation & certification and deployment of improved ACD version II on NF Railway with acceptable performance as per defined parameters. The system is planned to be progressively provided on other Railways after this.

[Ministry of Railways O.M. No.2011/BC-II/XV/300/1,
dated 04.11.2011]

Recommendation (Para No. 27)

The Committee are informed that in order to cover the entire Indian Railways system with TCAS, multiple vendors will have to be developed in order to expedite the work and to provide long term maintenance support. The Committee trust that Railways will take immediate steps in this direction. They further learn that Railways have prepared an action plan to provide On Board Train Protection/collision prevention systems by 2020 covering BG routes of the Indian Railways. The Committee recommend that the Ministry should prioritize the implementation of TCAS project in all the 17 Zonal Railways and keep them apprised of the progress made on this count.

Reply of the Government

Action has also been taken by Indian Railways (IR) to develop TCAS system through multiple vendors for which an Expression of Interest was issued by RDSO and opened on 15.09.2011. 10 firms have shown interest whose credentials and capacity shall now be evaluated. Shortlisted firms shall be participating for finalizing the Technical System Specifications of TCAS which can meet the Functional Requirement Specifications prepared by RDSO.

Further Railways have also prepared an Action Plan to provide On board Train Protection/collision prevention systems on all A & B routes of Indian Railways and Automatic Signaling sections by 2020 covering important BG routes in phased manner subjected to allotment of funds.

Pilot Project of TPWS as an aid to Loco Pilot to prevent overspeeding/Signal passing at danger, has been provided on 50 Route Kilometers on suburban section of Southern Railway. The service trials of pilot project on non-suburban section are in progress on North Central Railway on 200 Route Kilometers with 10 locomotives. TPWS works have been sanctioned in

2010-11 for sections of High Density Network of NCR, ER, SR, SER & WR totaling to 895 Route Kilometers and tenders have been invited.

[Ministry of Railways O.M. No.2011/BC-II/XV/300/1,
dated 04.11.2011]

Recommendation (Para No. 28)

The committee note with regret that while the financial allocation for Railway Research during 2007-08, 2008-09, 2009-10 and 2010-11 had been Rs. 60 crore, Rs. 62 crore, Rs. 61crore, Rs. 78 crore respectively, the same had been revised drastically downward to Rs 21.11 crore, Rs 25.64 crore, Rs 42.07 crore and Rs 41.91 crore, respectively. The committee further note to their dismay that the actual expenditure was even lesser than the revised allocation during 2007-08 and 2008-09 at Rs 19.79 crore, Rs 23.77 crore and more or less at the same level during 2009-10 and 2010-11 at Rs. 43.57 crore and Rs. 42 crore.

Reply of the Government

Looking at the trend of expenditure and on account of financial constraints, the allotment of funds under plan-head "Railway Research" had been reduced in the Revised Estimates for the years 2007-08 to 2010-11. Accordingly expenditure was regulated in these years. Although the actual expenditure was slightly less than the Revised Budget Allotments in 2007-08 & 2008-09, it was slightly more than the Revised Budget Allotments in 2009-10 & 2010-11. Thus the Actual Expenditure was more or less in line with the Revised Budget Allotments in these years. A number of Research projects and initiatives have been taken by RDSO, as a result of which the expenditure has more than doubled from Rs.19.79 crore in 2007-08 to Rs 43.89 crore in 2010-11.

[Ministry of Railways O.M. No.2011/BC-II/XV/300/1,
dated 04.11.2011]

Recommendation (Para No. 29)

Surprisingly, no specific targets have been kept in the mid-term appraisal of the XI Five Year Plan for Railway Research. As submitted, the Ministry have made all reasonable efforts to achieve the physical and financial targets. The progress of projects is periodically reviewed at various levels, including at the level of Director General/RDSO and Railway Board. However, the downward revision of allocation and the even lower actual expenditure tell a different story in term of Railway Research which is a very crucial area for the Indian Railways system. That being so, the committee recommend that the Ministry should lay more emphasis on Railway Research and the proposed plan of action to expend Rs. 71 crores in the year 2011-12, should be actualized.

Reply of the Government

As recommended by the Committee, proper emphasis would be given to Railway Research and all efforts will be made to utilise the funds to the full extent, allotted under plan-head 'Railway Research', in the year 2011-12.

[Ministry of Railways O.M. No.2011/BC-II/XV/300/1,
dated 04.11.2011]

Recommendation (Para No. 30)

The committee understand that a Memorandum of Understanding (MoU) has been signed with IIT, Kharagpur, for setting up a "Centre for Railway Research" at Kharagpur for research in key areas of Railway Technology, which will facilitate indigenous research and development of cutting-edge technology along with the RDSO. The Committee would like to be apprised of the relevant details of the said Memorandum. They would further like to be apprised of the plan of action in this regard.

Reply of the Government

In order to develop a long term frame work for research collaboration, an MOU was signed between Ministry of Railways & Indian

Institute of Technology (IIT), Kharagpur on 13.02.2010 for setting up a Centre for Railway Research(CRR) at IIT, Kharagpur. The salient points of the MOU are:-

- CRR will carry out research related to a number of Railway technology areas including Heavy Haul Technology, High Speed Technologies, Vehicle dynamics, Track research, Material Sciences for Railway related composites, Use of Artificial Intelligence for Predictive Maintenance and Management, etc.
- CRR will form research programme groups in each field comprising Professors and faculty members from IIT, Kharagpur along with officers from Railways.
- Experts working in the CRR will be given specialized training in Railway Technology.
- CRR will offer PhD programmes in research areas related to Railways and will also involve IIT B.Tech and M.Tech students in Research projects and offer course electives related to Railway technology.
- Railway officers will be sent on deputation at the CRR for participating in the research and development work as well as for short-term and long-term training programmes.
- Indian Railways will provide grant-in-aid to the CRR.

The Action being taken in this regard is as follows:

- A detailed estimate for Rs.20.38 Cr. has already been sanctioned for this work and an amount of Rs.4.19 Cr. has also been released to IIT/ Kharagpur for expediting the setting up of CRR.
- The work of setting up of the temporary building for CRR is in advanced stage.
- Preliminary work for construction of new Permanent building has also started.
- To start with, in Budget 2011-12, 10 projects worth Rs. 21.55 Cr. to be taken up at CRR with IIT/Kharagpur have been sanctioned.

[Ministry of Railways O.M. No.2011/BC-II/XV/300/1,
dated 04.11.2011]

Recommendation (Para No. 32)

The committee are not satisfied at the slow progress with regard to the completion of targeted model stations, modern (touch & feel) stations, Adarsh stations, World Class stations and Multi Functional Complexes (MFCs) during the last 2 years. As against the target of 221 model stations, 211 modern (touch & feel) stations, 464 Adarsh stations, and 17 Multi Functional Complexes (MFCs), only 135,134, 400 and 10, respectively, could be completed. Thus, there has been a shortfall of 86 model stations, 77 modern (touch & feel) stations, 64 Adarsh stations and 7 Multi Functional Complexes (MFCs). As regards the shortfalls, the Ministry are stated to have asked the Zonal Railways to initiate necessary action and plan accordingly for achieving the targets. Further, the committee have been informed that the progress of the schemes are monitored at various levels to ensure the targets. The Committee feel that the efforts made by the Ministry are not adequate when the major shortfalls are taken into consideration. The Committee, therefore, desire the Ministry to make serious efforts for energizing and strengthening its executive and monitoring wings and apprise them of the specific steps being taken to accomplish the targets expeditiously.

Recommendation (Para No. 33)

The Committee further note that the target of 88 model stations, 77 modern (touch & feel) stations, 302 Adarsh stations and 49 Multi Functional Complexes (MFCs) had been fixed for the year 2011-12. The Committee would like to be informed whether the targets fixed for 2011-12 include the spill-over of the targets of the previous two years also and recommend that the Ministry should take all measure to ensure that the targets fixed for the year 2011-12 are achieved without any shortfall.

Reply of the Government (Para Nos. 32 & 33)

To ensure that targets are adhered to, all the Zonal Railways & concerned Agencies (RITES, IRCON, etc.) have been asked to submit action plan indicating monthly targets for completion of Adarsh, Model, Modern stations and MFCs.

Further the progress of Adarsh, Model and Modern stations and MFCs is being monitored at Zonal as well as Railway Board level. Targets fixed for 2011-12 include the spillover of targets of previous year also.

[Ministry of Railways O.M. No.2011/BC-II/XV/300/1,
dated 04.11.2011]

Recommendation (Para No.34)

It is pertinent to mention here that the Hon'ble Minister of Railways, in her Budget Speech, had mentioned that in the last two years there had been an announcement to upgrade 584 stations as Adarsh Stations, out of which 442 stations would be completed by March, 2011 and the remaining would be completed in 2011-12. However, as per information recorded above, the achievement in respect of Adarsh Station is only 400. The Hon'ble Minister of Railways further mentioned that out of the 160 MFCs announced, a few had been completed and a few were in the process of completion,. A special target had been given to complete all the MFCs in the subsequent year. However, as per information recorded above, only 7 MFCs could be completed as against the targeted 17 MFCs. Further, a target to complete 49 MFCs is fixed for the current year. The Committee would like to be apprised of the correct position in this regard.

Reply of the Government

Railway endeavours to achieve the targets for Model, Modern and Adarsh stations subject to availability of funds. As a result of the efforts made, 20 model stations, 10 modern stations, 37 Adarsh stations and 7 MFCs out of the target fixed for the year 2011-12 have also been developed till date. As already submitted before the Committee and also observed by Committee in item no. 32 of the report, 10 MFCs as against the targeted 17 nos. had been completed upto March, 2011. Long term leasing of railway land now requires Cabinet's approval. Therefore, progress/commissioning of MFCs may be affected.

[Ministry of Railways O.M. No.2011/BC-II/XV/300/1,
dated 04.11.2011]

(For comments of the Committee, please see Recommendation Para No.42) of Chapter I)

Recommendation (Para No.35)

The Committee are unhappy to note that as against the announcement to augment 124 train services during 2010-11, only 109 train services could be started by 31st March 2011. The remaining 15 train services could not be started owing to various constraints like non-availability of rolling stock, non-completion of gauge conversion works as also non-receipt of necessary clearance from the Commissioner of Railway Safety (in case of newly opened and gauge converted sections). The Committee desire that the above mentioned constraints should be addressed expeditiously and the remaining train services, as promised to the masses, should be started at the earliest.

Reply of the Government

Out of 124 train services announced during 2010-11, 109 train services have been started by 31 March 2011. 5 more new train services were introduced upto August 2011. Remaining 10 train services are yet to be implemented so far owing to various constraints like non-availability of rolling stock, non-completion of gauge conversion works as also non-receipt of necessary clearance from the Commissioner of Railway Safety (in case of newly opened and gauge converted sections). Efforts are being made for early start of the remaining trains.

[Ministry of Railways O.M. No.2011/BC-II/XV/300/1,
dated 04.11.2011]

Recommendation (Para No.36)

The Committee learn that an amount of Rs.6502 crore has been allocated for Metropolitan Metro Projects during the year 2011-12, which is 1034% higher than the previous year's Revised Estimates of Rs.573 crore for the said projects. Such substantial increase is for four works of Metro Railway, Kolkata, which were sanctioned in the year 2010-11. The Committee have been informed that the works proposed to be carried out during the year 2011-12 are Design of Works,

civil works pertaining to construction of Metro Railway and other associated works like utility diversions, diversion of roads, land acquisition, etc. The execution of Metro projects is dependent on many aspects like timely acquisition of land, clearances from various State/Central Government Agencies, shifting of utilities etc. Further monitoring of the progress will be done by a Core Committee of the Railway Board in order to optimally achieve the targets. The Committee would like to be assured that assured that the work would get focused attention and with effective monitoring, the financial and physical targets would be fully achieved.

Reply of the Government

A provision of Rs. 6502.39 crore has been made in the Budget Estimates 2011-12 under MTP Plan Head. The expenditure to the tune of Rs. 109.39 core for Quarter-I has been less than proportionate expenditure. Less expenditure was mainly due to time taken in local approvals, designs, land acquisition, road & utilities diversion, tendering etc. towards the four new metro works sanctioned in 2010-11.

The requirement of funds is being continuously monitored and modification required, if any, will be carried out at appropriate budgetary stage. The expenditure is likely to pick up in the remaining months as the works would be in full swing soon.

[Ministry of Railways O.M. No.2011/BC-II/XV/300/1,
dated 04.11.2011]

Recommendation (Para No.37)

The Committee welcomes the proposal of the Ministry to launch the "Go-India" smart card as per the announcement made by the Hon'ble Minister of Railways in her Budget Speech. The committee has been apprised that it will be launched in collaboration with Public Sector Banks as per the regulations of RBI/CGA. For this, an Expression of Interest (EOI) is proposed to be called for

implementation of the project on the Delhi-Mumbai sector on a pilot basis. The Smart Card will be used to dispense reserved/unreserved tickets and booking of retiring rooms through the use of Automatic Ticket Vending Machines (ATVMs), Validators, etc., thereby obviating the need for passengers going to the counters. The Committee trusts that the Ministry of Railways will take suitable steps to accomplish the project expeditiously and keep the Committee apprised of the progress of the same.

Reply of the Government

In compliance, with the Budget announcement, the Indian Railways had proposed to launch this Smart Card in collaboration with Public Sector Banks as per the regulations of RBI/CGA. Subsequently, in pursuance of the announcement, as envisaged, a Workshop was organised on 26.05.11, inviting all the Public Sector Banks to have an open discussion on the proposed "Go India" project for suggestions from the Public Sector Banks for finalising the technical, financial and commercial specifications to facilitate implementation of the "Go India" card project on the Delhi-Mumbai and Delhi-Howrah sector on pilot basis. It was also followed by a meeting held in the Board on 03.06.11. Two follow-up meetings have also been held on 09.09.11 and 26.09.11 with CRIS, the technology solution provider for Railways wherein deliberations were held on possible models of implementation, in the light of the responses received from the Banks. CRIS has been asked to expedite the submission of the concrete proposal/model duly identifying the timelines, for an early implementation of the Go-India Project.

[Ministry of Railways O.M. No.2011/BC-II/XV/300/1,
dated 04.11.2011]

Recommendation (Para No.39)

The Committee learn that the work of the Real-Time Train Information System, based on the pilot project on tracking mail/express trains, carried out

with IIT, Kanpur, has been sanctioned at a cost of Rs. 110 crore in the Railway Budget for 2011-12, and the detailed estimate of the work is under process. Finer details on interfacing the system with the existing I.T. system of the Indian Railways are also being worked out separately. The Committee urge the Ministry to take immediate steps in the matter and keep the Committee apprised of the progress made.

Reply of the Government

While approving the Real Time Train Information System (RTIS), based on SIMRAN, it was decided that for achieving 100% reliability in capturing train location, satellite based MSS terminal will also be integrated in the RTIS system and ISRO will be asked to transfer technology of MSS terminal to Indian Railways. In this regard, a draft MOU has been approved by Railways for acceptance by ISRO.

Further, the detailed estimate of the work has been prepared and is under sanction of competent authority.

[Ministry of Railways O.M. No.2011/BC-II/XV/300/1,
dated 04.11.2011]

CHAPTER – III

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

Recommendation (Para No. 22)

The Committee note that during 2010-11, the total of 16638 wagons, 3649 coaches and 527 locomotives was fixed with the financial allocation of Rs. 13088 crore. During 2011-12, a much higher target of 18000 wagons, 3780 coaches and 580 locos have been fixed with an allocation of Rs. 14120 crore which is just Rs. 1032 crore higher than the previous year's revised allocation of Rs.13088 crore. The reason adduced by the Ministry for lesser allocation during 2011-12 is that the availability and expenditure of funds on manufacturing of rolling stock in the first half of the financial year will be observed and suitable enhancement/curtailment with reference to the physical progress will be done at the RE stage and additional funds, if required, will be made available at the RE stage to comply with the physical targets. The Committee do not find this convincing and are of the view that this defeats the very purpose of planning. The Committee desire that while preparing budgetary estimates, original targets should be kept in view to maintain the sanctity of the Plan at all costs as these are the goals set to make the best rail services available to the masses.

Reply of the Government

While preparing budgetary estimates, all efforts are made to make allocation of funds matching with physical targets. During the year, reviews are conducted and suitable enhancements/curtailments of funds are carried out with reference to the physical progress of work. Additional funds, as required, are made available at Revised Estimates (RE) stage to comply with the revised physical targets.

[Ministry of Railways O.M. No.2011/BC-II/XV/300/1,
dated 04.11.2011]

CHAPTER – IV

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

Recommendation (Para No. 12)

The Committee are aware that there are shortage of coaches in Railways and many coaches are due for overhauling / replacement. They further note to their dismay that no specific reason has been mentioned by the Ministry for shortfall of targets in respect of coaches. They would like to be apprised of the same and also of the strategy adopted by the Ministry to overcome the existing problem of shortage of coaches in order to improve the efficiency of rail services and for the safety of passengers.

Reply of the Government

Neither periodic overhauling of coaches nor replacement of overaged coaches has been postponed by the Railways. The new trains announced in the Railway Budget are also being introduced during the year and as such there is no shortage of coaches in the system. But there are pockets of unfulfilled demands.

The shortfall in coach production vis- a -vis the XI Plan targets is on account of the long gestation period in setting up the Raebareli Coach Factory and less production by M/s. BEML Ltd. vis-à-vis its commitment.

Strategy to increase coach production: The commissioning of Raebareli Coach Factory is being expedited. New Coach factories are also being set up at Haldia and Kanchrapara for DMUs and EMUs respectively. A new coach factory has been announced to be set up at Palghat. The capacity of Integral Coach Factory, Chennai is being expanded. These measures will further improve availability of coaches.

[Ministry of Railways O.M. No.2011/BC-II/XV/300/1,
dated 04.11.2011]

(For comments of the Committee, please see Recommendation Para No.17) of Chapter I)

Recommendation (Para No. 17)

The Committee observed that the setting up of several rail based industries, infrastructure expansion through construction of new lines. Doubling and metropolitan transport projects are the major thrust areas during 2011-12. With this end in view, the Ministry of Railways have fixed the Annual Plan for 2011-12 at Rs. 57,630 crore which is higher than the Budget Estimates of 2010-11 by Rs. 16,204 crore. As is clear from the foregoing, the Budget provision for 2011-12 has been made on the basis of the availability of resources and the requirement of the Railways and no projects/activities are proposed to be shelved for want of funds. The committee hoped that the Ministry will take timely and appropriate measures to ensure that their important projects will not lag behind in achieving the targets.

Reply of the Government

Ministry of Railway agree that setting up of several rail based industries, infrastructure expansion through construction of new lines, doubling and metropolitan transport projects are the major thrust areas during 2011-12.

The Budget provisions for 2011-12 have been made on the basis of projected availability of resources. However, it is possible that the budgeted estimates may not be realized to the full extent due to possible constraints in release of funds from the general exchequer as well as constraint in realization of the projected fund requirement from internal and extra budgetary resources.

The Ministry is taking timely and appropriate measures to ensure that important projects do not lag behind in achieving the targets.

[Ministry of Railways O.M. No.2011/BC-II/XV/300/1,
dated 04.11.2011]

(For comments of the Committee, please see Recommendation Para No.27) of Chapter I)

Recommendation (Para No. 21)

The Committee are concerned to note that during 2010-11, the targets of 18000 wagons, 4621 coaches and 530 locomotives had been revised downward to 14500 wagons, 3700 coaches and 515 locomotives. The reason for the underachievement put forward by the Ministry that while the output of the Railways' own production units was as per the targets, production by those units under the public/private sectors was less than the anticipated level, is not acceptable to the Committee as the Ministry themselves say that the wagon manufacturing Public Sector Units already stand referred to the BIFR. However, it is also stated that except one PSU wagon builder, all other PSU wagon builders have now been taken over by the Railways and most of them are already marching on the path of revival. As regards the private units, except one unit, all other units have shown remarkable improvement in performance. The single unit that has performed badly was solely due to its own internal management problems.

Reply of the Government

As against the revised target of 14,500 wagons for the year 2010-11, actual acquisition against RSP was 14703 Nos. There has been a consistent improvement in wagon production year after year, as would be seen from the following table:

XI Plan target	Production during			
	2007-08	2008-09	2009-10	2010-11
62000	9101	9646	13068	14703

It would thus be seen that against the XI Plan target of 62000 wagons, 46518 wagons have already been procured till March 2011 against RSP. During the current year, wagon production has got a further boost and production during 2011-12 upto August 2011 has been 8710 wagons against RSP. With the

current trend of wagon production, Indian Railways (IR) is confident of achieving the XI Plan target of 62000 wagons.

Besides the above acquisition against RSP, Indian Railways (IR) has also been able to induct 13489 wagons through various leasing schemes during this period.

Total locomotive production during 2010-11 has been 527 (Diesel: 267 + Electric: 260) vis-à-vis the original target of 530 and revised target of 515. Total Coach production during the year has been 3660 vis-à-vis the revised target of 3700.

[Ministry of Railways O.M. No.2011/BC-II/XV/300/1,
dated 04.11.2011]

(For comments of the Committee, please see Recommendation Para No.30) of Chapter I)

CHAPTER – V

RECOMMENDATIONS/OBSERVATIONS IN RESPECT OF WHICH FINAL REPLIES ARE STILL AWAITED

Recommendation (Para No. 31)

The committee learn that a committee of senior railway officers constituted to review and revamp the working of the RDSO had brought out various factors affecting the Research and Development work at RDSO and had proposed some organizational changes at RDSO, besides suggesting some changes in the Vendor approval work at RDSO. The committee would like to be apprised of the progress made in respect of the implementation of the findings of the said committee.

Reply of the Government

The Recommendations of the Committee are under examination and implementation would be taken up after a decision is taken on the same.

[Ministry of Railways O.M. No.2011/BC-II/XV/300/1,
dated 04.11.2011]

(For comments of the Committee, please see Recommendation Para No.39) of Chapter I)

Recommendation (Para No. 38)

The Committee observe that the Hon'ble Minister of Railways, in the Budget Speech 2011-12, had announced a proposal to set up a Central Organization for Project Implementation (COPI) with offices in Delhi, Kolkata, Mumbai and Bangalore, each headed by an officer of the rank of GM. The Committee would like to be apprised of the details of COPI along with its coordination mechanism as soon as such details are finalized.

Reply of the Government

Setting up of COPI is still under formulation. The Hon'ble Committee would be apprised of the details of COPI alongwith its coordination mechanism as soon as such details are finalized.

[Ministry of Railways O.M. No.2011/BC-II/XV/300/1,
dated 04.11.2011]

(For comments of the Committee, please see Recommendation Para No. 45) of Chapter I)

NEW DELHI;
24 April, 2012
4 Vaisakha, 1934 (Saka)

(T.R. BAALU)
Chairman,
Standing Committee on Railways

**MINUTES OF THE TENTH SITTING OF THE
STANDING COMMITTEE ON RAILWAYS (2011-12)**

The Committee sat on Tuesday, the 24th April, 2012 from 1700 Hrs. to 1730 Hrs. in Committee Room 'C', Parliament House Annexe, New Delhi.

PRESENT

SHRI T.R. BAALU - CHAIRMAN

MEMBERS

LOK SABHA

2. Shri Khiladi Lal Bairwa
3. Shri Ram Sunder Das
4. Shri Bapi Raju Kanumuru
5. Dr. Nirmal Khatri
6. Shri Anand Prakash Paranjape
7. Shri Somabhai G. Koli Patel
8. Shri Sharief-ud-din `Shariq`
9. Shri Gopal Singh Shekhawat
10. Kunwar Rewati Raman Singh
11. Shri Lalji Tandon
12. Shri Nama Nageswara Rao

RAJYA SABHA

13. Shri Om Prakash Mathur
14. Smt. Kusum Rai
15. Shri Ambeth Rajan
16. Shri Tarini Kanta Roy
17. Shri Ishwar Singh

SECRETARIAT

1. Shri K. Vijayakrishnan - Joint Secretary
2. Shri Abhijit Kumar - Director
2. Shri Arun K. Kaushik - Additional Director

2. At the outset, the Chairman welcomed the Members to the sitting of the Committee. Thereafter, the Committee took up for consideration the following Reports and adopted the same with minor modifications:

(i) Draft Report on action taken by the Government on the recommendations/observations of the Committee contained in their 11th Report on Demands for Grants – 2011-12 of the Ministry of Railways.

(ii) xxx xxx xxx

3. The Committee also authorized the Chairman to finalise the Reports and present the same to Parliament.

4. xxx xxx xxx

The Committee then adjourned.

APPENDIX-II

ANALYSIS OF ACTION TAKEN BY GOVERNMENT ON THE RECOMMENDATIONS/OBSERVATIONS CONTAINED IN THE 11th REPORT (15TH LOK SABHA) ON 'DEMANDS FOR GRANTS (2011-12) OF THE MINISTRY OF RAILWAYS'

Total number of Recommendations/Observations	39
(i) Recommendations/observations which have been accepted by the Government: Para Nos. 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 13, 14, 15, 16, 18, 19, 20, 23, 24, 25, 26, 27, 28, 29, 30, 32, 33, 34, 35, 36, 37 and 39	33
Percentage of total	84.62%
(ii) Recommendations/observations which the Committee do not desire to pursue in view of the Government's replies: Para No. 22	1
Percentage of total	2.56%
(iii) Recommendations/observations in respect of which replies of the Government have not been accepted by the Committee and which require reiteration: Para No. 12, 17 and 21	3
Percentage of total	7.69%
(iv) Recommendations/observations in respect of which final replies of Government are still awaited Para Nos. 31 and 38	2
Percentage of total	5.13%
