14

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

MINISTRY OF RAILWAYS
(RAILWAY BOARD)

DEMANDS FOR GRANTS
(2012-13)

FOURTEENTH REPORT

सत्यमेव जयते

LOK SABHA SECRETARIAT
NEW DELHI

April, 2012/ Vaisakha, 1934 (Saka)

SCR NO.: 163

FOURTEENTH REPORT

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(2011-12)

(FIFTEENTH LOK SABHA)

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(RAILWAY BOARD)

DEMANDS FOR GRANTS
(2012-13)

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

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* 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. Vijayakrishnan	-	Joint Secretary
2.	Shri Abhijit Kumar	-	Director
3.	Shri Arun K. Kaushik	-	Additional Director
4.	Smt. Geeta Parmar	-	Under Secretary

INTRODUCTION

I, the Chairman of the Standing Committee on Railways (2011-12), having been authorised by the Committee to present the Report on their behalf, present this Fourteenth Report of the Standing Committee on Railways on 'Demands for Grants - 2012-13 of the Ministry of Railways'.

2. The Committee took evidence of the representatives of the Ministry of Railways (Railway Board) on 03.04.2012 and 17.04.2012.

3. The Committee considered and adopted the Report at their sitting held on 24.04.2012. Minutes of the related sittings are given in appendix to the Report.

4. The Committee wish to express their thanks to the officers of the Ministry of Railways (Railway Board) for appearing before the Committee and furnishing the material and information which the Committee desired in connection with the examination of the Demands for Grants – 2012-13. They would also like to place on record their deep sense of appreciation for the valuable assistance rendered to them by officials of Lok Sabha Secretariat attached to the Committee.

5. For facility of reference and convenience, the observations and recommendations of the Committee have been printed in bold letters in Part-II of the Report.

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

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

REPORT

CHAPTER – I

IMPLEMENTATION OF THE COMMITTEE'S RECOMMENDATIONS

The 11th Report of the Standing Committee on Railways on 'Demands for Grants – 2011-12 of the Ministry of Railways' was presented to the Lok Sabha on 17.08.2011. The Report contained 39 recommendations/observations.

2 In compliance with Direction 73A of the Directions by the Speaker, the Minister of Railways has to make a statement in the House within six months of the presentation of the Report giving the status of implementation of the various recommendations/observations made by the Committee in their 11th Report. Accordingly, the Minister of Railways made a statement in the House on 16.12.2011 giving the status of implementation of various recommendations/observations made by the Committee in their 11th Report.

3 Action Taken Replies in respect of the above Report were received from the Ministry of Railways on 04.11.2011. On the basis of the Action Taken Replies received from the Ministry of Railways on the above mentioned Report, the Committee considered and adopted the Action Taken Report on 24.04.2012. The Committee, in their 13th Report, have commented on the Action Taken Replies furnished by the Ministry in respect of the recommendations contained at Sl. Nos. 7, 8, 9, 10, 11, 12, 13, 14, 15, 17, 21, 23, 24, 31, 34 and 38. Thirty-three recommendations/observations (Sl. 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) were accepted by the Ministry. In respect of reply to recommendations/observations at sl. No. 22, the Committee desired not to pursue the same in view of the reply furnished by the Ministry. Recommendations/observations at Sl. Nos. 12, 17 and 21 were reiterated by the Committee as the replies of the Ministry thereon were not found satisfactory. Final replies in respect of the recommendations at Sl. Nos. 31 and 38 were to be furnished by the Ministry.

CHAPTER – II

INTRODUCTORY

1. The Indian Railways is a departmental commercial undertaking of the Government of India. The formulation of policy and overall control of the Railways is vested in the Railway Board comprising the Chairman, who is an *ex-officio* Principal Secretary to the Government of India, the Financial Commissioner and other functional Members for Traffic, Engineering, Mechanical, Electrical and Staff matters, all *ex-officio* Secretaries to the Government of India. The Indian Railway system is managed through 17 zones and 68 operating divisions. Apart from the Zonal Railways representing the operational part of the system, there are six production units engaged in the manufacture of rolling stock and other related items. The Indian Railways has an exclusive Research and Development organization, *viz.* the Research, Designs and Standards Organization (RDSO) with the status of a Zonal Railway, extending their technical advise and consultancy to the Ministry, Zonal Railways and production units.

2. The Indian Railways is the world's largest government railway establishment. The Railways function as a vertically integrated organization providing Passenger and Freight services. It is a single system which consists of 64,410 route kms of track that criss-cross the country, on which more than 19,186 number of trains ply, carrying more than 25 million passengers and hauling nearly 2.5 million tonnes of freight every day, thereby contributing to economic growth and promoting national integration. The railway service is rendered through a nationwide rail infrastructure covering tracks, stations, sidings, freight terminals, locomotives, coaches and wagons and an array of infrastructure inputs like signaling, telecom, electrical installations, maintenance workshops, etc.

3. As compared to road transport, the railway has a number of intrinsic advantages as it is five to six times more energy efficient, four times more efficient in land use and significantly more superior from the standpoint of environment impact and safety. The Railways, thus play a pivotal role in the growth and development of the nation.

4. As Railway finances were separated from the General Finances under the 'Separation Convention' in 1924, a separate Budget is presented since then for the Railways showing the estimated receipts and expenditure in respect of every financial year. The Railway Budget for the year 2012-13 was presented in the Parliament by the Minister of Railways on 14 March, 2012. An annual outlay of Rs.60,100 crore comprising Gross Budgetary Support of Rs. 24,000 crore, Railway Safety Fund of Rs. 2,000 crore, internal resources of 18,050 crore, and Extra Budgetary Resources (EBR) of Rs.16,050 crore which include market borrowings of Rs. 15,000 crore through IRFC has been proposed for the year 2012-13.

5. The Budget Statement shows the total revenue receipts, revenue and works expenditure, distribution of excess of receipts over expenditure and position of various Funds which the Railways keep with the Central Government, *viz.* the Depreciation Reserve Fund, Development Fund, Pension Fund, Capital Fund, and Railway Safety Fund.

6. The Revenue receipts of the Railways consist of earnings from goods traffic, passenger traffic, other coaching earnings, including parcels, luggage and sundry other earnings like rent, catering receipts, interest and maintenance charges from outside bodies, commercial utilisation of land and air space and commercial publicity on rolling stock and station buildings, etc.

7. There are other Miscellaneous receipts also like receipts of Railway Recruitment Boards from sale of application forms and examination fees, etc. and Government's share of surplus profits which includes receipts from subsidised Railway companies in which the Government has no capital interest. The subsidy from General Revenues in respect of dividend reliefs forms part of the Miscellaneous receipts. The total of Revenue and Miscellaneous receipts makes up the total receipts of the Railways. The portion of the earnings which is due to the Railways during the financial year but has not actually been realised is held in a 'Suspense' account.

8. The expenditure incurred by the Railways is on Revenue account and on Works account. The Revenue account consists of Ordinary Working Expenses incurred by various Departments of the Railways in their day-to-day working and other miscellaneous expenditure like the expenditure on Railway Board, Audit, Surveys and other miscellaneous establishments, payments as regulated by contracts to worked lines which are not owned by the Railways and are either worked by the Indian Railways or companies concerned. The Revenue Account also includes appropriation to the Depreciation Reserve Fund, Pension Fund and dividend paid by the Railways to the General Revenues. Appropriation to the Depreciation Reserve Fund is made annually on the basis of the recommendations of the Railway Convention Committee and is intended to finance the cost of new assets replacing old assets, including the cost of any improved features that such new assets may have. Appropriation to the Pension Fund is to finance Pension and Death-cum-retirement gratuity payments to the Railway staff.

Budget at a Glance for 2012-13

9. The Budget at a Glance as given in the Explanatory Memorandum on the Railways Budget for 2012-13 is as follows:-

(Rupees in crore)

***Actuals* 2010-11**	**Budget 2011-12**	***Description***	**Revised 2011-12**	**Budget 2012-13**
94,535.63	**106,239.00**	**1. Gross Traffic Receipts**	**103,917.00**	**132,552.00**
		2. Miscellaneous Receipts		
2,037.64	3,022.61	(a) Subsidy from General Revenues towards dividend relief & other concessions	2,598.26	3,003.89
107.75	131.52		131.52	138.00
2,145.39	**3,154.13**	(b) Other Miscellaneous Receipts	2,729.78	3,141.89
		(c) **Total Miscellaneous Receipts**		
96,681.02	**109,393.13**	**3. Total Receipts**	**106,646.78**	**135,693.89**
68,139.22	73,650.00	4. Net Ordinary Working Expenses	75,650.00	84,400.00
15,820.00	15,800.00	5. Appropriation to Pension Fund	16,800.00	18,500.00
5,515.00	7,000.00	6. Appropriation to Depreciation Reserve Fund	6.160.00	9,500.00

89,474.22	**96,450.00**	**7. Total Working Expenses [4+5+6]**	**98,610.00**	**112,400.00**
		8. Miscellaneous Expenditure		
35.84	60.00	(a) O.L.W.R.	55.89	60.00
824.82	890.00	(b) Other Miscellaneous Expenditure	836.50	1,000.00
860.66	**950.00**	**(c) Total Miscellaneous Expenditure**	**892.39**	**1,060.82**
90,334.88	**97,400.00**	**9. Total Expenditure [7+8]**	**99,502.39**	**113,460.82**
6,334.88	**11,993.13**	**10. Net Revenue [3-9]**	**7,144.39**	**22,233.07**
4,941.25	**6,734.72**	**11. Dividend Payable to General Revenues**	**5,652.24**	**6,676.07**
1,404	**5,258.41**	**12. Excess/Shortfall [10-11]**	**1,492.15**	**15,557.00**
--	2,858.41	13. Appropriation to Capital Fund	942.15	5,000.00
1,404.89	2,400.00	14. Appropriation to Development Fund	550.00	10,557.00
94.6%	**91.1%**	**16. Operating Ratio**	**95.0%**	**84.9%**
4.4%	**7.6%**	**17. Ratio of Net Revenue to Capital-at-Charge and investment from Capital Fund**	**4.4%**	**12.1%**

10. The estimates of expenditure from the Consolidated Fund included in the Budget Statement and required to be voted by the Lok sabha are submitted in the form of Demands for Grants. There are sixteen Demands for Grants of Railways. Demand Nos. 1 to 15 which relate to Revenue account contains expenditure to be incurred on the day-to-day working by various Departments in the Railways' miscellaneous establishments. Demand No. 16 relates to expenditure to be incurred by the Railways on Works Account. Expenditure under Demand No.16 - Assets-Acquisition, Construction & Replacement is made on works/projects which, *inter alia*, cater to development of infrastructure, renewal and replacement of assets, amenities for passengers, amenities for staff, etc. Plan head-wise outlays and expenditure and also the physical targets vis-a-vis achievements have been dealt with in the succeeding paragraphs. Demand for Grants of the Railways for 2012-13 are given in the following statement:-

(In thousands of rupees)

No. of Demand	**Name of Demand**	**Total Demand**	
		Voted	**Charged**
1.	Railway Board	225,82,00	..
2.	Miscellaneous Expenditure (General)	764,29,00	*71,00*
3.	General Superintendence and Services on Railways	5312,56,86	..
4.	Repairs and Maintenance of Permanent	8786,78,95	*33,01*

	Way and Works		
5.	Repairs and Maintenance of Motive Power	4015,68,59	*..*
6.	Repairs and Maintenance of Carriages and Wagons	9311,13.30	*2,00*
7.	Repairs and Maintenance of Plant and Equipment	5062,23,54	*...*
8.	Operating Expenses – Rolling Stock and Equipment	7360,74,70	*..*
9.	Operating Expenses – Traffic	15132,21,27	*3,00*
10.	Operating Expenses – Fuel	21346,72,40	*13,76*
11.	Staff Welfare and Amenities	4342,68,15	---
12.	Miscellaneous Working Expenses	4605,45,64	*161,73,17*
13.	Provident Fund, Pension and Other Retirement Benefits	19120,65,95	*58,20*
14.	Appropriation to Funds	43567,00,00	*..*
15.	Dividend to General Revenues, Repayment of loans taken from General Revenues and Amortization of Over-Capitalization	9804,32,00	*..*
16.	Assets – Acquisition, Construction and Replacement		
	Revenue	59,90,00	*10,00*
	Other Expenditure		
	Capital	60974,51,37	*89,00,00*
	Railway Funds	20025,75,00	*5,00,00*
	Railway Safety Fund	1998,40,00	*1,60,00*
	Total	**241816,88,72**	***259,24,14***

11. From a written material furnished to the Committee, it has been observed that the total receipts, total expenditure and net revenue for the year 2010-11 at RE stage had been Rs. 97,151.20 crore, Rs. 88129.34 crore and Rs. 9021.86 crore, respectively. However, it is seen from above that the actual receipts, actual total expenditure and actual net revenue during the year remained Rs. 96,681.02 crore, Rs. 90,334.88 crore and Rs. 6,346.14 crore, respectively. Likewise, operating ratio was also increased to 94.6 percent (actual) from 92.1 percent (RE). Hence, during 2010-11, there was a decrease

in total receipts, increase in expenditure and increase in operating ratio, resulting in decrease in net revenue.

12. As regards the reasons for under-achievements during 2010-11, it has been stated that in 2010-11, the total actual receipts of the Railways were short of the Revised Estimates by Rs. 470 crore, *i.e.* by 0.48 percent. Out of this, the traffic receipts fell short by Rs. 304 crore and the Misc. Receipts by Rs. 166 crore. The shortfall in traffic receipts consisted of shortfall in passenger earnings (Rs. 333 crore), other coaching earnings (Rs. 126 crore) and sundry earnings (Rs. 112 crore). The clearance from traffic outstanding was only Rs. 10 crore as against budgeted clearance of Rs. 98 crore in Revised Estimates. The shortfall in Misc. Receipts was mainly due to lesser subsidy received from General Revenues towards dividend relief owing to reduction in rate of dividend by the Railway Convention Committee from 7 percent to 6 percent.

13. The Ministry have added that on the expenditure side, the Ordinary Working Expenses and the pension payments exceeded the Revised Estimates by Rs. 1,139 crore and Rs. 1,320 crore, respectively, mainly due to higher staff and pension payments arising from the implementation of the 6th CPC, than anticipated in the Revised Estimates. This led to a reduction in the Net Revenue by Rs. 2687 crore over the Revised Estimates. The Operating Ratio also deteriorated as a result to 94.6 percent from 92.1 percent of the Revised Estimates.

14. The Committee have further observed that in 2011-12 also, total receipt at RE stage was revised downwards from Rs. 109,393.13 crore (BE) to Rs. 106,646.78 crore, total expenditure has been revised upwards from Rs. 97,400.00 crore (BE) to Rs. 99,502.39 crore (RE) and as a result, net revenue has shown a decline from Rs. 11,993.13 crore (BE) to Rs. 7,144.39 crore (RE). The actuals are not available till date. Considering that the Ministry certainly have taken steps to improve the shortfalls, the Committee categorically asked the Ministry to cite the reasons for repeated shortfall in achievement of the targets in 2011-12. The Ministry in reply have stated that the shortfall in 2011-12 in net revenue was mainly due to lower traffic receipts in all segments except under Goods, higher requirements for repairs & maintenance, catering, fuel and pensions. While the steps were taken to contain expenditure both under plan

and non-plan, the gap in resources had to be bridged through a short term loan of Rs. 3,000 crore from general revenues.

15. In addition to adjustment in freight rates were carried out in October, 2011 and on 6th March, 2012 to mobilize additional resources, the Railways have stated to have taken a number of steps to augment earnings and contain expenditure which are as follows:-

Steps being taken to augment resources of Railways

Increase Earnings

- Continuous efforts to capture more and more traffic.
- Creation of additional capacity and optimum utilization of the existing one.
- Improved throughput through increased productivity and efficiency.
- Reduction in wagon turn around time.
- Customer oriented and dynamic freight policies.
- Introduction of engine on load scheme.
- Terminal incentive schemes.
- Discount on incremental traffic in empty flow direction and lean season.
- Introduction of new trains, increase in frequency and extension to existing trains to capture more passenger traffic.
- Extension of PRS and UTS facilities to more and more location.
- Introduction of passenger profile management system.
- Deployment of additional coaches in patronized trains.
- Introduction of premium parcel service.
- Leasing of parcel space in trains.
- Introduction of Liberalized Wagon Investment Schemes.
- Rail Side Warehousing Terminals through PPP.

Control over Expenditure

- Constant endeavour on the part of the Railways to avoid wasteful expenditure.
- Control the growth of non-plan expenditure.
- Prioritization of expenditure on works for better use of available resources.
- Improvement staff productivity by better man-power planning.
- Better asset utilization.
- Improvement in inventory management
- Optimising the fuel consumption.
- Tight control over expenditure in areas such as contractual payment, overtime allowance, purchase of material etc.
- Austerity and economy measures in areas such as hospitality, publicity, advertisements, inaugural ceremonies, seminars and workshops, contingent office expenses etc.

16. It may further be seen that during 2012-13, BE of Rs. 22,233.07 crore has been fixed for net revenue, which is an increase of 211.19 percent by RE of Rs. 7,144.39 crore during 2011-12. Asked about the steps being taken/ proposed to achieve an ambitious target of net revenue, the Ministry have stated that the Budget Estimates for 2012-13 for earnings and expenditure have been made on a realistic basis and taking into account the rationalization of freight and fare structure. The progress of earnings and expenditure, both revenue and plan, will be closely monitored and efforts will be to achieve the target of net revenue. A memorandum to Railway Convention Committee has also been submitted to reduce the rate of dividend from 5% to 3% and if approved, it would provide the with an additional relief of about Rs. 1,400 crore. Also, as a measure of prudent financial management, plan expenditure will be strictly regulated to synchronize with the mobilization of resources during the year.

Eleventh Five Year Plan (Financial performance)

17. The Plan expenditure in years 2007-08, 2008-09, 2009-10, 2010-11 and for 2011-12 (BE & RE) are as under:

XI Plan	Approved	2007-08 (actual)	2008-09 (actual)	2009-10	2010-11	2011-12 (BE)	2011-12 (RE)	Total Plan outlay
Gross Budgetary Support (GBS)	63635	8668	10110	17716	19485	21041	21060	77039
Internal Resources	90000	14948	18941	12196	11528	14219	9091	66704
Extra Budgetary Support (EBS)	79654	5364	7284	9760	9780	22370	16316	48504
Total	233289	28980	36335	39672	40793	57630	46467	192247

It may be seen from above that the 11th Plan is likely to fall short of the target by Rs. 41042 crore.

18. To a specific query, the Ministry have replied that despite the reduction, there is an upward trend in Railways' Plan Expenditure over the years as would be seen from the above.

19. It may be mentioned here that the above shown achievements have been against BE of Rs. 31000 crore during 2007-08(i.e. shortfall of Rs. 2020 crore), Rs. 337500 crore during 2008-09 (i.e. shortfall of Rs. 1164 crore), Rs. 40745 crore during 2009-10 (i.e. shortfall of Rs. 1073 crore), Rs. 41426 crore during 2010-11 (i.e. shortfall of Rs. 633 crore)and Rs. 57630 crore during 2011-12 (i.e. shortfall of Rs. 11163 crore).

20. When asked about the constraints faced by the Ministry in mobilizing the resources during 11th Plan, it has been stated that the major shortfall in resources was on account of internal generation and Public Private Partnership(PPP). Against the original target of internal resources of Rs. 90,000 crore, the expected generation is likely to be Rs. 66704 crore. Similarly, against the original target of Extra Budgetary Resources(EBR) of Rs. 79654 crore, the expected achievement is Rs. 48504 crore. The shortfall in internal generation resources is due the impact of implementation of the 6th Pay Commission which entailed an additional expenditure of Rs. 73000 crores in the last four years of the Plan. The shortfall in EBR is due to lesser mobilization under PPP. While Railways were able to meet the target of market borrowing through IRFC, it was not successful in mobilizing resources through PPP. The major reasons for lesser mobilization under PPP are as under:

(a) Bidding out of World Class Station Projects could not take off, as approvals required from State Governments could not come in time in case of New Delhi, Mumbai CST and Patna.

(b) Bidding out of Locomotive Factory projects at Madehpura and Marhowra also got stalled due to delay in finalization of agreed bidding /contract documents.

(c) Port connectivity/SPV projects got delayed due to problems associated with land acquisition.

(d) PPP in railway sector is intrinsically difficult due to long gestation period and relatively low returns.

21. It has been added that the areas where Railways have encouraged PPP include connectivity to ports and industrial clusters, setting up of private freight terminals, operation of container trains and special freight trains and Wagon Investment Scheme, exploitation of Railway land and air space. Further, during 2012-2013, no difficulty is anticipated in meeting the targets of Rs. 15000 crores for market borrowing and Rs. 1050 crore for PPP. Further, strengthening of the organization for PPP and simplification/streamlining of procedures for execution of PPP projects are being considered.

22. The Committee drew attention of the Ministry to the shortfall in internal generation of resources during the 11th Plan, where against a target of Rs. 90,000 crore, the achievement was only Rs. 66704 crore. In this context, the Committee desired to know the strategy adopted by the Ministry to fulfill an over-ambitious target of Rs. 1,99,805 crore during the 12th Five Year Plan and a target of Rs.18050 crore during the Annual Plan 2012-13. In reply, it has been stated that during the 12th Five Year Plan the originating loading is targeted to increase from 970 million tonnes in the terminal year of the 11th Five Year Plan to 1405 million tonnes in the year 2016-2017 – in other words, an incremental loading of 435 million tonnes. Similarly, the passenger traffic is envisaged to go up from 8291 million in the year 2011-12 to 11711 million in 2016-2017 –an increment of 3420 million passengers. For the year 2012-13 ,the targets for originating loading and originating passengers are : 1025 million tonnes and 8740.79 million passengers, i.e. increment of 55 million tonnes of freight loading and 450 million passengers. With these increments and rationalization of fares and freights to partially neutralize the cost of provision of services, it is envisaged that the target for resource mobilization from these services would materialize. In addition, attempts would also be made to maximize revenues from non-tariff sources.

Traffic Receipts

23. The details regarding gross traffic receipts of Indian Railways at BE, RE stage and actual for the years 2007-08 to 2010-11and 2011-12(BE & RE) and 2012-13(BE) are as under:

		Gross Traffic Receipts (Rs. In crore)
2007-08	BE	71318
	RE	72755
	Actuals	71720
2008-09	BE	81901
	RE	82393
	Actuals	79862
2009-10	BE	88419
	RE	88356
	Actuals	86964
2010-11	BE	94765
	RE	94840
	Actuals	94536
2011-12	BE	106239
	RE	103917
2012-13	BE	132552

24. The details regarding passenger earnings of Indian Railways at BE, RE stage and actual for the years 2007-08 to 2010-11 and 2011-12(BE & RE) and 2012-13(BE) are as under:

		Passenger Earnings (Rs. In crore)
2007-08	B.E.	20075
	R.E.	20075
	Actuals	19844
2008-09	B.E.	21681
	R.E.	22330
	Actuals	21931

2009-10	B.E. R.E. Actuals	24309 24057 23488
2010-11	B.E. R.E. Actuals	26126 26126 25793
2011-12	B.E. R.E.	30456 28800
2012-13	BE	36073

25. During examination of the DFG (2011-12), it was informed that the reasons for the shortfall in gross traffic receipts during 2007-08 to 2009-10 was mainly lesser growth in number of originating passengers and lesser yield per million tonne of freight traffic. The drop in yield was attributable to cancellation and short termination/diversion of trains due to unforeseen circumstances like fog/floods/bandhs/ agitations, etc.

26. Further, the gross traffic receipts in 2010-11 budgeted at Rs. 94,765 crore was primarily based on freight loading target of 944 million tonnes and anticipating 7773 million of originating number of passengers. However, in actuals the number of originating passengers remained short of the budgeted target by 36.02 million. This along with drop in lead against budgeted target, adversely impacted the passenger throughput by around 26 billion passenger kilometers, translating into a shortfall of Rs. 333 crore in passenger earnings. Besides, other coaching earnings also fell short of the budgeted target by Rs. 309 crore. The aggregate shortfall in passenger and other coaching earnings was, however, substantially offset by excess Goods and Sundry earnings over the budget target. Yet, Gross Traffic Receipts for the fiscal was short of the Budget target by Rs. 229 crore as actual realization from Traffic Outstanding stood at Rs. 10 crore as against budgeted target of Rs. 200 crore.

27. The Committee have further observed that the target for Gross Traffic Receipts in 2011-12 of Rs. 1,06,239 crore was revised downwards to Rs.1,03,917 crore. It has been explained that the target of Gross Traffic Receipts for 2011-12 was budgeted anticipating a freight loading of 993 million tonne and 5.9% growth in originating passengers. The originating passengers in the Revised Estimates, 2011-12 have been assessed at 8291 million depicting a growth of 6.2 percent. However, based on the

trend of earnings for the year and lower yield per PKM, passenger earnings in the Revised Estimates, 2011-12 have been scaled down to Rs. 28,800 crore. Going by the trend of and taking into account non-realization of Rs. 600 cr. anticipated from commercial use of railway land by Railway Land Development Authority, the target of other coaching and sundry earnings in the Revised Estimates, 2011-12 has also been scaled down from Rs.2903 crore to Rs. 2750 crore i.e. by Rs. 153 crore and from 4060 crore to Rs. 3700 crore i.e. by Rs. 360 crore, respectively.

28. The Ministry have added that the target of goods earnings has been retained at Budgeted level despite scaling down the loading target by 23 million tonnes due to positive impact of modification in freight structure carried out in the latter part of the fiscal 2011-12. Considering the aggregate impact of revised earnings target and also the reduced target of clearance from Traffic Suspense, the target of Gross Traffic Receipts in the Revised Estimates, 2011-12 has been reduced to Rs. 1,03,917 crore as against budgeted target of Rs. 1,06,239 crore. Actual realization against the Revised Estimates, 2011-12 is not available as yet.

Eleventh Five Year Plan (Physical Performance)

Traffic Transportation

29. The targets and likely achievements for traffic transportation during the 11th Plan are as under:-

Item	Xth Plan Achieve-ment	XIth Plan Original Target	Revised Target for XIth Plan during Mid Term Appraisal	Likely achievement up to 2010-11	Likely achievement upto 2011-12
Originating Traffic(MT)	728	1100	1020	924	970
NTKM(Billion)	481	702	674	612	642
Originating Passengers (Million)	6219	8400	8200	7831	8272
Passenger Kilometers (Billion)	695	924	1100	1007	1085

30. It may be seen from above that the original targets for originating traffic(MT) of 1100 million tonnes had been reduced to 1020 millions and for originating passengers(Million) from 8400 million to 8200 million. Pointing out that achievements during the 11th Plan year in freight transportation of 970 million tonnes had been even less than the revised targets, the Committee wanted to know the reasons for the shortfall. The Ministry have replied that the demand for freight loading on Indian Railways is a derived demand and is dependent on the growth in the economy, especially in the core sector since Railways is primarily a bulk carrier of freight. Projection of freight traffic (Loading and NTKM) is based on the projection of economic growth in the country especially in the core sectors.

31. It has been added that 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.

32. During 2009-10, freight loading 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 Odisha, etc. Continuing ban on iron ore coupled with restriction on mining in Karnataka for all ore, cumbersome process of obtaining clearance from State Government of Odisha has led to a situation where growth in Export ore loading is(-)59.41% and for all Iron ore, including export, growth in loading has been (-)11.49% during 2011-12 up to February 2012.

33. The Committee have been informed that the projected freight loading of Indian Railways by the terminal year of 12th Plan i.e. 2016-17 is 1405 million tonnes and

projected number of passengers is 11711 million. The BE for the originating freight loading for the financial year 2012-13 is 1025 million tonnes and for total number of passengers is 8740.79 million which is 5.6 percent more than the BE for the Financial Year 2011-12.

34. Asked about the initiatives being taken/proposed to realize the targets in 2012-13, it has been informed that in order to maximize the revenue earning freight loading, 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. Review of maintenance practices has also helped in improving the overall availability of wagons. Further, to increase the physical loading gradual proliferation of enhanced axle load running is being resorted to. Special emphasis is being given for removal of bottlenecks to traffic, speedier completion of throughput enhancement works and rapid induction of newer rolling stock of enhanced capacity.

New Lines Construction

35. The details regarding physical and financial targets vis-à-vis achievements thereon in respect of New Lines Construction projects are as under:-

Financial targets and achievements

Year	Original Target	Revised Target	Achievement
11th Plan			(Rs. in crore)
2007-08	1570	2681	2671
2008-09	1701	2963	3157
2009-10	2922	3340	3644
2010-11	4388	4991	5272
2011-12	8434	6348	Not available

Physical targets and achievements

Year	Original Target	Revised Target	Achievement
11th Plan			(Fig in Km)
2007-08	500	150	156

2008-09	350	250	357
2009-10	250	200	258
2010-11	1000	700	709
2011-12	1075	700	727
Total	3175	2000	2202

36. The above table indicates that from the year 2007-08 to 2010-11, financial targets in respect of new lines were revised upward at RE stage; however the physical targets were revised downwards. During 2007-08, 2008-09, 2009-10 and 2010-11, the original targets were 500 km, 350 km, 250 km and 1000 km, respectively. However, the same were revised downward to 150km, 250 km, 200 km and 700 km, respectively. The achievement were 156 km, 357 km, 258 km, and 709 km, respectively. Further, during 2011-12, against the target had been revised from 1075 km of new lines to 700 km though the achievement had been 727 km.

37. As regards the reasons for under-achievement during 2011-12, it has been stated that an ambitious target was set to achieve inclusive growth. However, achievement of 709 kms is a significant increase over previous year. For reducing the financial allocation of Rs.8434 crore at BE for New Lines at RE stage during 2011-12 to Rs. 6348 crore, it has been clarified that during 2011-12, funds for doubling and gauge conversion projects were provided through capital bonds. However, as the money could not be made available through capital bonds, financial allocation of new line projects made under 'Capital' was re-appropriated to provide funds for the doubling and gauge conversion projects. Further, due to slow progress of work because of heavy monsoon, delay in land acquisition, forestry clearance and contractual failures, the physical target for new lines had to be revised downward to 700 km.

38. The Committee have been apprised that due to less allocation of funds during 2012-13 for construction of new lines, a lower target to construct 700 km of new lines has been fixed with an allocation of Rs. 6872 crore. In order to optimally achieve the targets during 2012-13, the State Governments and other departments are being regularly pursued for expediting land acquisition and for giving the requisite clearances. Also, progress of the various works is being monitored closely for achieving the targets.

Gauge Conversion

39. In a written submission gauge conversion is stated to be one of the major areas of shortfall during the 11th Five Year Plan. While examination of DFG(2011-12), it was learnt that the 11th Plan targeted to complete 10,000 km of gauge conversion, which was revised downwards to 6000 km at mid-term appraisal of the 11th Plan. The expected achievement was shown as 5482 km. Year-wise details regarding physical and financial targets vis-à-vis achievements thereon in respect of gauge conversion projects during the 11th Plan are given as under:-

Financial targets and achievements

Year	Original Target	Revised Target	Achievement
11th Plan			**(Rs. In crore)**
2007-08	2714	3012	3232
2008-09	2744	3013	3337
2009-10	2054	3156	3581
2010-11	1625	2552	3232
2011-12	2776	2659	Not available

Physical targets and achievements

Year	Original Target	Revised Target	Achievement
11th Plan			**(Fig in Km)**
2007-08	1800	1550	1549
2008-09	2150	1566	563
2009-10	1300	1225	1516
2010-11	834	834	837
2011-12	1017	825	856
Total	7101	6000	5321

40. It may be seen from above that throughout the 11th Plan, the physical targets had been revised downwards at RE stage. Against the target of 10000 km of gauge conversion which was later on revised to 7101 km and then revised to 6000 km at mid-term appraisal of the 11th Plan, the achievement remained at 5321 km. Shortage of funds is stated to be a major reason for slow pace of execution of various railway projects/activities and shortfall in the achievement of targets for gauge conversion.

41. It be seen from above that during 2007-08, 2008-09, 2009-10 and 2010-11, the original financial targets of Rs. 2714 crore, Rs. 2744 crore, Rs. 2054 crore and Rs. 1625 crore, respectively, were revised upwards to Rs.3012 crore, Rs. 3013 crore, Rs. 3156 crore and Rs. 2552 crore, respectively. However, the physical target was reduced from 1800 km to 1550 km in 2007-08, from 2150 km to 1566 km in 2008-09, from 1300 km to 1225 km in 2009-10 and in 2010-11 the target was kept unchanged at 834.

42. Further during 2011-12, an allocation of Rs. 2776 crore was made for gauge conversion; however, the same was revised downwards at RE stage by 4.21 percent to Rs. 2659 crore. Also physical target of 1017 km was revised downward by 18.87 percent at 825 km. When asked about the reason for the same, it has been submitted that there had been marginal reduction in the financial allocation for gauge conversion projects. However, projects slowed down as Railways were authorized to incur expenditure only up to 25 percent of outlay as gauge conversion projects were to be funded through tax free bonds. To tide over the problem, re-appropriation from other plan heads has been done in Dec’ 2011. Accordingly, the physical target was revised to 825 km. To a further query, it has been stated that the target of 700 km for gauge conversion projects has been fixed for 2012-13, keeping in view the allocation of funds of Rs. 2270 crore.

Doubling

43. Doubling is stated to be one of the major areas of shortfall during the 11th Five Year Plan. While examination of DFG(2011-12), it was informed that 11th Plan was

targeted to complete 6000 km of doubling. However, the target was revised to 2500 at mid-term appraisal of the 11th Plan and the expected achievement was shown as 2873. Year-wise details regarding physical and financial targets vis-à-vis achievements thereon in respect of doubling projects are given as under:-

Financial targets and achievements

Year	Original Target	Revised Target	Achievement
11th Plan			(Rs.in crore)
2007-08	2002	1745	1685
2008-09	2524	1803	1846
2009-10	1906	2016	2401
2010-11	1818	2205	2165
2011-12	5406	2640	Not available

Physical targets and achievements

Year	Original Target	Revised Target	Achievement
11th Plan			(Fig in Km)
2007-08	700	313	426
2008-09	1000	350	363
2009-10	700	320	448
2010-11	767	767	769
2011-12	867	750	752
Total	4034	2500	2738

44. It may be seen from above that a target to complete 6000 km of doubling during the 11th plan was fixed , however the same was revised later on to 4034 km and then to 2500 km at RE stage. The achievement remained at 2378 km. Shortage of funds again is stated to be a major reason for slow pace of execution of various railway projects/activities resulting in shortfall in achievement of targets in respect of doubling. It may be seen that the original targets for doubling during 2007-08, 2008-09, 2009-10, 2010-11 and 2011-12 had been 700km, 1000 km, 700 km, 767 km, and 867 km, respectively; however, the actual achievements are 426 km, 363 km, 448 km, 769 km and 752 km, respectively.

45. During 2011-12, BE of Rs. 5406.00 crore was made for doubling which was revised to Rs. 2640.00 crore at RE stage. Also physical target of 867 Km was revised to 750 Km. The Committee asked about the reasons for revising the physical target by only 13.49 percent when allocation for doubling was revised downward by 51.16 percent. In reply, it has been stated that projects slowed down as Railways were authorized to incur expenditure only up to 25% of outlay as gauge conversion projects were to be funded through tax free bonds. To tide over the problem, re-appropriation from other plan heads has been done in Dec' 2011. Accordingly, the physical target was revised to 750 km.

46. Emphasising the need for optimum achievement of targets, it has been stated that keeping in view the progress of various projects and financial allocation for doubling projects, a target of 800 km has been fixed for 2012-13 with an outlay of Rs. 3393 crore. Further, progress of the projects is being regularly monitored to ensure their timely completion.

47. In this context, during evidence, a representative of the Ministry of Railways informed as under:-

> *"………We have given more money this year to doubling because, as was discussed earlier, there is a lot of congestion and traffic movement is getting hindered on account of that congestion. So, de-bottlenecking is the mantra for that. Hence, this year, we have laid stress on that. As you would have noticed, we have provided less money for new lines, gauge conversion and more money for doubling. So, this year, we will do more doubling."*

48. It is learnt from the budget speech that it has been proposed to cover 67 projects of doubling during 2012-13. Further, 23 new projects of doubling/third line for which approvals of Planning Commission have been obtained are also proposed to be taken up during 2012-13. Further, 4 projects of doubling have been sent to the Planning Commission for appraisal and 'in principle' approval and a total of 21 surveys for doubling are being taken up during the year.

Rolling Stock Capacity Augmentation

49. The 11th Plan original targets, revised at Mid Term Appraisal and achievements in respect of Wagons, Coaches and Locomotives are as follows:

Rolling Stock	XI Plan Original Target	Revised XI target at Mid Term Appraisal Stage	XI Plan Achievements
Wagons (VUs)	62000	62000	63481 (73991 including leased, container and pvt wagons)
Coaches (including EMU/MEMU/DEMU)	22500	19863	17085
Diesel Loco	1800	1019	1288
Electric Loco	1800	1205	1218

50. The financial achievement (actual expenditure) on Plan head Rolling Stock during XI Plan period has been Rs. 63272 crore, including provisional figures for 2011-12.

51. From the written replies, it has been observed that an allocation of Rs. 60416 crore had been made at BE during 11th Plan to execute physical target of 62000 wagons, 22500 coaches and 3600 locomotives. However, it may be seen from that with an expenditure of Rs. 63272 crore, Railways have produced 63481 wagons, 17085 coaches (i.e. 5415 short of the original target) and 2506 locomotives(i.e. 1094 short of the original target). Further, except for wagons the physical targets were revised downward for coaches, Diesel Loco as well as for Electric Loco. The reasons for shortage in coach production is stated to be that acquisition from public/private sector units has been less than the anticipated volume due to constraints of capacity and resources. During 2010-11, against the target of 4000 coaches, achievement was 3649 coaches. The reasons as stated is non-receipt of coaches from BEML and other sources. Further, in 2011-12, against a target of 3786 coaches, the achievement has been 3637 coaches on account of supply chain problems at RCF.

52. It has also been observed that during 2011-12, targets of 16963 wagons, 3637 coaches and 582 locomotives were fixed with an allocation of Rs. 13820 crore which was

revised upward to Rs. 15602 crore keeping the physical targets unchanged. During 2012-13, targets of 16000 Wagons, 3816 Coaches and 630 Locomotives have been fixed, with an allocation of Rs. 18,493 crore.

53. In order to resolve the constraints earlier faced by the Railways like lesser production by units under public/private sectors, it has been stated that the target for Wagons and Locomotives during 2012-13 is likely to be achieved as per the production trend of 2011-12. Coach production from Rai Bareli Coach factory will be stepped up in 2012-13.

54. With regard to addressing the problem of shortage of coaches as far as passenger traffic is concerned, it has been informed that it has been tried to address the problem of shortage of coaches by new manufacturing plants. The plant at Rai Bareli is almost ready and that will be the third railway production unit for manufacture of coaches, after ICF Perambur and RCF Kapurthala which together are manufacturing almost 3,000 to 3,200 coaches per year. This plant will also progressively graduate to manufacturing 1000 coaches per year. And then the other two coach factories at Palakkad, the foundation stone of which has already been laid and that will come on PPP basis. The Ministry will be progressing with that. Then there will be one in Kutch area and one in Karnataka as Railway’s own production unit. These, it is hoped, will make good the shortage of coaches. Railways are also procuring coaches from four production units which is outside their ambit, that is from the open market and they give about 400 to 500 coaches every year. So, efforts of the Ministry are that they will make good this coaching stock and they would be able to run these passenger trains. Having said that, the line capacity constraints they have already made out a master plan zonal railway wise and the same has been sent to all the zonal railways indicating the areas which need to work on.

ROBs/RUBs

55. The allocation of funds for ROBs/RUBs, expenditure incurred and the progress of ROB/RUB works during 11th Five Year Plan are as under:

Year	Allotment (in Rs. Crore)	Expenditure (in Rs. Crore)	Completed Nos.	
			ROB	RUB/Subway
2007-08	551	384	28	13
2008-09	700	316	38	65
2009-10	1000	541	80	102
2010-11	1000	687	67	177
2011-12*	1200	801	83	211

*Provisional

56. It has been stated that the aforesaid table indicates increasing utilization of allocated funds. Progress of ROB/RUB/Subways is also showing increasing trend. Further, an allocation of Rs. 1400 crore has been made during the year 2012-13.

57. Asked to comment on the reasons for continuous shortfall in achievement of targets in respect of ROBs/RUBs, it has been stated that the progress of ROBs/RUBs depends on several factors like land acquisition, fund availability with State Government, sanction of corresponding work in the State Budget, approval of General Arrangement Drawing (GAD), removal of encroachments, etc. These works are basically joint work of Railways and State Govt. Efforts are being made to take up more nos. of sanctioned ROBs by better coordination with the State Government and use of precast /pre fabricated components.

Level Crossing (LC)

58. The work of manning, provision of lifting barriers and basic infrastructure are main aspects of safety at LC for Railways as well as road users. During budget speech, it was apprised that more than 40 percent of the consequential train accidents, involving 60 percent to 70 percent of the total causalities occur at unmanned level crossings. However, funding is stated to be an issue which needs to be collectively addressed. For fast track elimination of level crossings in the next five years, it has been decided to set up a Special Purpose Vehicle named Rail-Road Grade Separation Corporation of India.

59. The financial targets and achievements in respect of Level Crossings during the 11th Five Year Plan, the details are as under:-

Year	Original Target	Revised Target	Achievement
11th Plan			(Rs. in crore)
2007-08	500	500	186
2008-09	600	600	250
2009-10	700	648	359
2010-11	700	702	414
2011-12	800	652	Not available

60. Further, an allocation of Rs. 600 crore has been made in the year 2012-13. The progress of work relating to Level Crossings during the 2009-10, 2010-11 and 2011-12 is as under:-

S.N	Type of work at LC	Target 2009-10	Progress 2009-10	Target 2010-11	Progress 2010-11	Target 2011-12	Progress 2011-12 (upto Jan'12)
1.	Work related to manning of unmanned LCs	304	377	1000	1399 (434 manned& 965 LC gates awaiting manpower)	2045	1178 (763 manned & 551 LC gates awaiting manpower)
2.	Provision of lifting barriers at LCs	374	370	295	221	160	114
3.	Provision of basic infrastructure like smooth roads, proper gradient, hexagonal blocks on track for passing of road traffic.	1310	2456	1628	2079	1011	806

61. As regards the achievement of physical targets fixed for the work relating to Level Crossings, it has been informed that targets fixed during the 11^{th} Plan have been more

or less achieved in the past. During the year 2011-12, a total of 763 unmanned gates have been manned and in 551 level crossings infrastructure is ready and manning will be done as soon as manpower is available. In addition 492 unmanned gates have been closed by provision of subways, diversion road etc. Thus, against the targets, of manning/elimination of 2045 unmanned gates, 1806 unmanned gates have been manned/eliminated. In case of provision of lifting barrier, against a target of 160, 114 nos. have been completed. In case of provision of basic amenities against the target of 1011, 928 gates have been completed. In respect of unmanned gates, where infrastructure is ready would be manned with sanction of new post of gateman and their recruitment during 2012-13.

62. In this context, the Chairman, Railway Board, informed the Committee that under road safety works, for ROBs/RUBs, the allocation during 2012-13 is 39 percent more than the allocation during 2011-12 as it is regarding closing of unmanned level crossings. As far as ROBs/RUBs and manning of unmanned level crossing is concerned, it has been informed that out of the 32000 to 33000 level crossings in the country, almost 17000 to 18000 are already manned and the remaining 14000 to 15000 would be progressively eliminated by constructing ROBs or RUBs. The number of ROBs and RUBs commissioned every year is increasing on yearly basis and manning is also increasing. Although a commitment has been made to close about 15000 level crossings during the 12^{th} five year plan, efforts will certainly be made in this direction.

63. Asked about the timelines for setting up Rail-Road Grade Separation Corporation of India and also its funding pattern, it has been stated that decision to set up Special Purpose Vehicle named Rail-Road Grade Separation Corporation of India has been taken recently. It is at planning stage. Its funding will be from Road Safety Fund/Central Road Fund.

Rail Research

64. Year-wise details regarding physical and financial targets vis-à-vis achievements in respect of Rail Research during the 11th Plan are as under:-

Year	Original Target	Revised Target	Achievement
11th Plan			(Rs. In crore)
2007-08	60	22	20
2008-09	62	38	24
2009-10	61	41	44
2010-11	78	42	44
2011-12	71	39	38.92

65. As regards the reasons for revising downward the annual plan allocation for rail research during 2011-12 from Rs. 71 crore to Rs. 39 crore, it has been stated that an original Budget Allotment of Rs. 71.00 crore under Plan Head 18 – 'Railway Research' for the year 2011-12 was made. However, few research projects and contracts, which were in advance stages at RDSO, could not make expected progress. Accordingly, Rs. 47.38 crore was proposed by RDSO in Revised Estimate (RE) 2011-12, against which, an allocation of only Rs. 38.63 crore in Revised Estimate (RE) 2011-12 could be made. Till the end of the financial year, Rs.38.92 crore were finally spent.

66. On being asked about the measures being adopted to optimally utilise the funds of Rs.68 crore for Rail Research during 2012-13, it has been informed that an allotment of Rs. 68.11 Cr. has been made under plan head-18 "Railway Research" to RDSO for 2012-13, which includes Rs. 58.23 Cr. for Works in Progress & Rs. 9.88 Cr. for New Works. Proper emphasis will be given to the projects under the plan-head "Railway Research" and all efforts will be made to utilize the funds allotted under this plan-head during 2012-13. Also, regular monitoring of various projects to ensure timely completion, would be carried out.

Passenger amenities

67. Year-wise details regarding financial targets vis-à-vis achievements in respect of passenger amenities during the 11th Plan are given as under:-

Year	Original Target	Revised Target	Achievement
11th Plan			(Rs.in crore)
2007-08	493	634	668
2008-09	852	731	828
2009-10	1102	923	906
2010-11	1302	998	911
2011-12	1100	763	Not available

68. It may be seen from above that throughout the 11th Plan, the original targets were revised downward. Besides, in 2009-10 and 2010-11, even the revised targets were not fully achieved. Further, in 2011-12, there is a steep reduction in targets from Rs. 1100 crore to Rs. 763 crore, i.e. by 30 percent.

69. During 2011-12, the following targets were fixed for Model station, Modern (Touch & Feel) station, Adarsh stations, World Class stations and Multi Functional complexes (MFCs):-

S.No.	Name of developmental scheme	Targets for completion during 2011-12
1.	Model station	86
2.	Modern (Touch & Feel) station	77
3.	Adarsh stations	302
4.	World Class stations	2
5.	Multi Functional complexes (MFCs)	49

Metropolitan Projects (MTPs)

70. During 2011-12, an amount of Rs. 6502 crore were allocated for MTPs; however, the same has been reduced to Rs. 1052 crore. Rs. 4731 crore has been allocated during 2012-13.

Twelfth Five Year Plan(2012-17)/ Annual Plan(2012-13)

71. It is learnt from the Budget Speech on the Rail Budget, 2012-13 that the Committee headed by Dr. Anil Kakodkar, set up to examine the current standards of safety on Indian Railways and to suggest suitable benchmark and safety protocols have submitted its Report on 17 February, 2012. It has recommended far reaching measures and safety protocols. As safety standards cannot be achieved without modernization, an expert group headed by Mr. Sam Pitroda was also set up on modernization and resource mobilization. The Group has submitted its report on 27 February, 2012 and has provided a blueprint for the next five years for modernization of Indian Railways. The recommendation of the Group entails an estimated investment of Rs. 5.60 lakh crore. Safety Committee have further observed that Indian Railways suffers from an 'implementing bug'. In this respect, the expert group has recommended implementation of the modernization programme following a 'Mission Mode' approach, with clear objectives, measureable milestones, tangible deliverables and well defined timelines. It was therefore decided to create Missions headed by Mission directors in each of the identified areas for a three year term. The Directors would directly report to the Railway Board. Each Mission would be provided with budget and operational economy. In addition, a high level Committee would be set up to facilitate coordination amongst the Missions, fast-track implementation, and address bottlenecks coming in the way. With this, it has been expected that action on the recommendations of the two committees would take place in a time-bound and need-based manner.

72. Keeping in view the recommendations of the above-said two committees, 12th Plan investment proposed by Railways at Rs. 7.35 lakh crore represents a quantum jump over the investment during the 11th Plan of Rs. 1.92 lakh crore. As informed, Indian Railways has been suffering from serious capacity constraints due to inadequate investment. Therefore, an attempt has been made in the 12th Plan to address capacity bottlenecks and investment in modernization and safety so that Railways are able to provide satisfactory services to passengers and customers. The share of various components are as under:-

Gross Budgetary Support	Rs. 2.5 lakh crore
Govt. Support for national projects	Rs. 30,000 crore
Ploughing back	Rs. 20,000 crore
Internal Resources	Rs. 1,99,805 crore
Extra Budgetary Resources	Rs. 2,18,775 crore
Railway Safety Fund	Rs. 16,842 Crore.

73. Asked about the major areas of concern for the Indian Railways during the Twelfth Five Year Plan (2012-17), they are stated to be capacity creation, network modernization, improvement in productivity and asset utilization, safety, modernization of systems, including rolling stock maintenance practices and improvement in quality service. These areas are stated to have received due priority in the Plan by way of adequate outlays in respect of Dedicated Freight Corridors, doubling/multiple lines, induction of modern rolling stock and safety (track renewals, signalling and telecom works, construction of ROBs & RUBs to eliminate level crossings) etc.

The Chairman, Railway Board, during evidence supplemented as under:

"Sir, for the 12th Five Year Plan, an outlay of Rs.7.35 lakh crore is definitely a very ambitious plan but it needs to address across the board the proposals for augmentation of the system because we are slowly getting very congested in our major routes. It is affecting our freight and passenger movement. It is also incorporation the amount of money which we will need from our side for dedicated freight corridor because some portion is through the World Bank loan; some portion is through JICA and about 50 per cent amount of roughly about Rs.85000 crore, we will have to spend on our own through our budgetary resources. So, that also has been taken into account. Then, we have a shelf, at present, our expenditure of all the works is almost Rs.1.75 lakh crore which is for new lines and gauge conversion and doubling activities."

As regards the funding of the DFC project, the details are as under:

Debt- Rs. 45111 Crore (Rs. 31,486 Crore from Japan International Cooperation Agency for Western DFC & Rs. 13,625 Crore from World Bank for Eastern DFC (Ludhiana-Khurja-Kanpur-Mughalsarai Section, 1183 Kilometers)).

Equity – Rs. 27,106 Crore (through budgetary resources)

PPP- Rs. 10,022 Crore

Total – Rs. 82239 Crore

Cost of Land – Rs. 7536 Crore through Budgetary resources.

74. When enquired about the planning of the Ministry to expend allocation Rs. 85,000 crore for dedicated freight corridor in the next five years, the Chairman, Railway Board, recorded as under:-

> *"As far as the dedicated freight corridor is concerned, we have brought it to the notice of the Planning Commission and we are also making a Cabinet Note that right now we are constrained to use the existing funds which are being given to us through the gross budgetary resources through the support of dedicated freight corridor also and that some amount of Rs. 24,000 crore has been given to the Railways in the current year by the Finance Ministry. That amount of Rs. 24,000 crore will be used for the entire construction activity of the Railways including new lines, gauge conversion and doubling works that we have plus the dedicated freight corridors. …………So, this is the comprehensive amount which has been given. There is no doubt in what you are saying that in case the dedicated freight corridors are to go on the fast track, we will need additional funding from the Government of India, perhaps a dedicated funding for the dedicated freight corridor. That has already been flagged for the attention of the Government."*

75. The Annual Plan of the Ministry of Railways for the year 2012-13 is targeted at Rs. 60,100 crore and would be financed through GBS of Rs. 24000 crore, Railway Safety Fund of Rs. 2000 crore, Internal Resources of Rs. 18050 crore and EBR of Rs. 16050 crore, which includes market borrowings of Rs. 15000 crore through IRFC. The allocations in the focused areas during the year are as under:

- Doubling -Rs. 3393 Crore.
- Rolling Stock including payment to IRFC – Rs. 22423 Crore.
- Road Safety Works for level crossings/ROBs & RUBs – Rs. 2000 Crores.
- Track Renewal- Rs. 4603 Crore.
- Signalling & Telecommunication Works- Rs. 2002 Crore.

It has been stated that funding for Eastern and Western Dedicated Freight Corridor Projects has been substantially tied up.

76. To a submission made by the Chairman, Railway Board that the plan outlay of Rs 60,100 crore for the year 2012-13 is the highest ever plan allocation, the Committee drew the attention of the Ministry to the allocation of Rs. 56730 crore made during 2011-12 which was later reduced by Rs 11,163 crore to Rs 46,467 crore at RE state. The annual plan allocation for 2010-11 is less than the current year's allocation by only Rs. 2470 crore, i.e. by 4.29 percent. In response, the Ministry have stated that the decrease in the plan outlay in 2011-12(RE) *vis-a-vis* 2011-12(BE) was mainly on account of the shortfall in internal resource and EBR component of the plan. The internal resource component was reduced at RE stage owing to additional provisions required for fuel and pensions in addition to lesser growth in earnings. Further, EBR was scaled down to maintain the market borrowing at an optimum level.

77. The Committee desired to know whether the allocation of funds during 2012-13 for various railway projects/activities are found to be adequate. In reply, it has been stated that the allocation of funds for various projects and activities during the year has been made keeping in view the availability of funds from all sources-internal generation, budgetary support and extra-budgetary resources. Compared to the overall size of the 12th Five Year Plan, the current year's outlay is not adequate. The resource allocation in the form of GBS has been less than what has been demanded over the period. As a result, there is a large shelf of projects pending to be completed which also includes prioritized projects. Plan size in subsequent annual plans needs to be stepped up to achieve the overall target.

78. The Ministry have added that the plan size is heavily dependent on Gross Budgetary Support (GBS) and Internal Resource component. In the current year, the GBS is only Rs. 24,000 crore against a projected requirement of Rs. 46,170 crore in the Annual Plan 2012-13 proposal to Planning Commission. With the rationalization of freight and fare tariff structure, an amount of Rs. 18,050 crore has been budgeted as internal resource component of the plan expenditure. However, the actual investment would depend on progress and success of resource mobilization effort of the Railways during

the year and appropriate adjustments on expenditure side may become necessary during the course of the year depending on revenue inflow from freight and passenger segments. The plan expenditure would be closely regulated for enforcing prudent financial and resource management.

79. On being asked about the projects/schemes which would get affected due to lower allocation under GBS, the plan head-wise proposed GBS sent to the Planning Commission and final GBS allocated for 2012-13 BE are given below. The plan-heads having a positive variation in the two are highlighted and these would get affected due to lesser allocation of GBS by Planning Commission.

(Rs. Crores)

Plan Head No.	Plan Head	Proposed under Capital	Actual Allocation	Variation
11	New Lines (Including National Projects & DFC Land)	13838	6030	7808
14	Gauge Conversion (including national projects)	3275	2145	1130
15	Doubling	7095	3000	4095
16	Traffic facilities	1588	350	1238
17	Computerisation	419	60	359
21	Rolling Stock	3505	1150	2355
29	Road Safety-LC	800	600	200
30	Road Safety-ROB	2477	1400	1077
31	Track Renewals	3000		3000
32	Bridge Works	401.8	50	351.8
33	Signalling & Tele	678.06	150	528.06
35	Electr. Projects	1200	825	375
36	Other Elec. Works	300	150	150
41	Machinery & Plant	150	150	0

42	Workshops incldg. PUs	1417	750	667
51	Staff quarters	200	150	50
52	Amenities for Staff	50	50	0
62-63	Investment in Pus + Investment in JVs	5833.02	3908.69	1924.33
64	Other Specified Works	100	150	-50
71-73	Inventories	300	150	150
81	MTP	2792.86	4731.31	-1938.45
	GRAND TOTAL	**49470**	**26000**	**23469.74**

80. With the size of allocation of fund during 2012-13, the Committee asked how the Ministry would expect to get GBS of Rs 2.5 lakh Crore during the 12th plan. The Ministry in their reply have stated that GBS of Rs 2.5 lakh crore has been envisaged in the 12th Five Year Plan in consultation with the Planning Commission. In case the full GBS of Rs 2.5 lakh crore as proposed does not materialize, the outlay for lower priority areas will need to be suitably curtailed.

81. In the background of under-achievements in the previous years, the Committee expressed their apprehension about the optimum achievement of plan outlay for 2012-13. To this, the Chairman, Railway Board, submitted:

> *"Allocations have been planned actually according to the money available. So, whatever commitments we are giving in the current Budget, 2012-13, regarding the length of new lines that we will make, the length of doubling that we will complete as also the gauge conversion and other projects, we will definitely try to see that those targets which we are now setting are completed in the current financial year."*

82. The Committee have observed that in order to raise financial resources of Indian Railways internally which are much needed not only for improving passenger amenities but also for safety and development, hike in passenger fare across the board had been proposed by the then Rail Minister. However, new rail Minister announced fare revision in all classes except the premium ones.

83. In response to a query in this regard, the Ministry in a written reply have informed that an increase of Rs.7,273 crore had been projected in the passenger earnings in 2012-13 over 2011-12(RE). The growth is contributed partly through rationalization of fare structure expected to yield approximate Rs. 4,550 crore and remaining by increase in number of passengers. With the increase now effective only in four classes, it is estimated that passenger earnings are likely to fall short by about Rs. 4,250 crore.

84. To a specific query as to how the Ministry would, after roll back in passenger fares, make up the consequential loss of Rs. 4250 crore, the Chairman, Railway Board, submitted as under:

> *"Sir, there will be only two-three methods by which we will be able to make up this amount. The first will be that we will have to have a very major thrust on the PPP. Then, we will examine the feasibility of picking up a little more resources through our IRFC to the extent, we have planned for Rs. 15000 crore as per the present scenario that we have given. But we may like to increase that a little bit so that we are able to make good some of this amount. We will need to control our expenditure substantially to garner this amount.............As far as passenger traffic is concerned, we are likely to achieve 28,800 million tones in 2011-12 and against that, we had planned for achieving Rs. 36,073 crore. Against this Rs. 36,073 crore, it was against a growth of about 5.4 per cent in volume. So, this growth in volume will definitely remain. This is not compromised by the roll back. If we can somehow compensate this roll back in the fares with marginal growth in volumes, and instead of 5.4 per cent if we are able to achieve 6 or 6.5 per cent, then to that extent, our roll back amount in passengers will get compensated. We are hoping it to some extent. We will be planning to run special trains, attachment of coaches wherever the demand is there. We will make every effort to pick up whatever demand is there on the passenger side."*

85. With regard to failure to garner resources through PPP mode, the Chairman, Railway Board, during evidence, submitted:-

> *" ... I just want to submit that for the last almost 11 months now, from April till now, our efforts to garner resources through PPP have been*

frustrated to a large extent because of the land issue that we are still tackling because our multi-functional complexes are ready. We are not being able to exploit them commercially although the buildings are ready. Our other initiatives on the PPP front, that is usage of our land for commercial purposes, they are also at an advanced stage, some of them. We are waiting for Cabinet approval for our land use. That is the single factor which is coming in the way and that has dogged us for the entire year."

86. When asked to furnish the details of the matter, it has been informed that directions were received from Secretary (COORD.& PG), Cabinet Secretariat vide letter dated 21.3.2011 stating that a policy regarding transfer or alienation of land held by the Government or Statutory authorities, etc. is being framed and in the meanwhile, all Ministries/Departments are to seek specific approval of the Cabinet in each case of sale or long term lease of land belonging to the Government or Government controlled statutory authorities. Pursuant to these directions, all the proposals for raising resources through PPP projects leveraging commercial potential of Railway land came to a standstill.

87. The Ministry have added that in pursuance of the instructions received from the Cabinet Secretariat on 21.3.2011 and after a series of detailed discussions on the issue at the apex level, a decision was taken that Ministry of Railways should process for obtaining generic approval of the Cabinet in regard to proposals connected with various categories of land usage of Railway land. Accordingly, a Cabinet note for permitting development of Railway land by Rail Land Development Authority for augmenting revenues is under process. Views of Ministry of Finance on the same are awaited. The Note for approval of Cabinet will be sent for consideration of Cabinet on receipt of the views of Ministry of Finance. The matter is stated to be regularly pursued.

88. On being categorically asked that in case the Ministry fail to meet their target in respect of passenger earnings and also could not generate money through PPP mode as has been observed in the previous years, whether the Ministry have any back up plan to generate resources, it has been replied that while there is a possibility of

shortfall under passenger earnings due to 'roll back' of increase in passenger fares, the target of realization under PPP as part of plan expenditure is only Rs. 1,050 crore. This is primarily the share of States in the projects being implemented on cost-sharing basis.

RECOMMENDATIONS/OBSERVATIONS

XI Plan targets and anticipated achievements

Financial Performance

1. The Committee note to their dismay that the 11th Five Year Plan targeted at Rs. 2,33,289 crore with Gross Budgetary Support (GBS) of Rs.63,635 crore, Internal Resources of Rs. 90,000 crore and Extra Budgetary Support of Rs. 79,654 crore is likely to fall short of the targets by Rs. 41,042 crore at Rs. 1,92,247 crore. The Committee further note that throughout the 11th Plan, the original targets were revised downward at RE stage. During 2007-08, 2008-09, 2009-10, 2010-11 and 2011-12, the BE of Rs. 31000 crore, Rs. 37500 crore, Rs. 40745 crore, Rs. 41426 crore and Rs. 57630 crore, respectively, were revised downward to Rs. 30618 crore, Rs. 36773 crore, Rs. 40284 crore, Rs.40315 crore and Rs. 46467 crore, respectively, which is certainly not a satisfactory situation. It is also seen that actual utilization, except for the year 2010-11, was even less than the revised targets. During 2007-08, 2008-09, 2009-10 and 2011-12(likely), the actual expenditure was Rs. 28980 crore, Rs. 36336 crore, Rs. 39672 crore and Rs. 46467 crore (likely), respectively. The actual expenditure during 2010-11 was Rs. 40793 crore. The submission of the Ministry that despite the reduction, there is an upward trend in the Railways' Plan Expenditure over the years is not understandable. In other words, while the Ministry appears to be satisfied with the comparative increase of expenditure every year, the achievement of

targets is not taking place, which is very disturbing. The Committee, in their 11th Report on Demands for Grants (2011-12), had expressed concern over the frequent downsizing of the Plan outlay which, the Committee felt, was nothing but a negation of the planning process. Needless to add, the sanctity of the Plan should be maintained at all costs. The Committee, therefore, reiterate that while preparing budgetary estimates, original targets should be kept in view so that frequent downsizing of the Plan outlay could be avoided.

2. The Committee note with concern that during the 11th Five Year Plan, the investment through internal generation of resources was short of the target by Rs. 23,296 crore. As against the target of Rs. 90,000 crore, the achievement has only been Rs. 66,704 crore, the reason suggested by the Ministry being the impact of the recommendations of the 6th Central Pay Commission which led to an additional outgo of Rs. 73,000 crore in the last four years of the Plan. The Committee further observe that an over-ambitious target of Rs.1,99,805 crore and Rs.18050 crore has been fixed during the 12th Five Year Plan and the Annual Plan 2012-13, respectively, for internal generation of resources. As informed, the 12th Plan is targeted to increase the originating loading from 970 million tonnes in the terminal year of the 11th Five Year Plan to 1405 million tonnes in the year 2016-2017. Similarly, the passenger traffic is envisaged to go up from 8291 million in the year 2011-12 to 11711 million in 2016-2017. For the year 2012-13, the targets for originating loading and originating passengers are fixed at 1025 million tonnes and 8740.79 million passengers, respectively. With these increments

and rationalization of fares and freights to partially neutralize the cost of provision of services, it is envisaged that the target for resource mobilization from these services would materialize. The Committee are of the view that merely fixing ambitious targets is not going to serve any purpose, if commensurate efforts are not put in to achieve them. The Committee further observe that there has been a tendency in the past to initially fix higher budgetary estimates and then reduce them at the revised stage. The Committee desire that the budgetary exercise should be undertaken with much more seriousness and every effort should be made to realize the targets. The Committee, therefore, urge the Ministry to further streamline its functioning in order to achieve the targets fixed for internal generation of resources during 2012-13 and the 12th Plan.

3. The Committee further observe that the shortfall in Extra Budgetary Resources(EBS) during the 11th Plan was primarily due to lesser mobilization through Public Private Partnership(PPP) as the Railways had been able to meet the target for market borrowings through the IRFC. Thus, there had been a shortfall of Rs. 31,150 crore in respect of EBS as against the target of Rs.79654 crore. The reasons for the same have been cited as under: bidding out of World Class Station Projects could not take off; approvals required from State Governments could not come in time in case of New Delhi, Mumbai CST and Patna; bidding out of Locomotive Factory projects at Madehpura and Marhowra also got stalled due to delay in finalization of agreed bidding/contract documents; and port connectivity/SPV projects got delayed

due to problems associated with land acquisition. The Committee are not convinced with the reasons submitted as most of these procedural delays could very well have been overcome had the Ministry put in focused efforts in this direction. As submitted, PPP in railway sector is intrinsically difficult due to the long gestation period and relatively low returns. The Committee desire that the Ministry should explore other avenues of the railway sector which have a comparatively low gestation period.

4. The Committee are informed that the Railways have encouraged PPP in areas like connectivity to ports and industrial clusters, setting up of private freight terminals, operation of container trains and special freight trains, Wagon Investment Scheme and exploitation of Railway land and air space. The Committee feel that most of the above said areas may not fructify during the current year and, as such the Committee would desire that the Railways should make concerted efforts to strengthen other areas for revenues generation to meet the requirement of resources.

5. The Committee note that during 2007-08, 2008-09, 2009-10 and 2010-11, the total receipts of the Railways have shown a decline in the actuals as against the Revised Estimates (RE). Against the RE of Rs. 74,363.76 crore, Rs. 84,233.18 crore, Rs.90,713.07 crore and 97,151.20 crore, respectively, the actuals were Rs. 73,276.57 crore, Rs. 81,658.98 crore, Rs. 89,229.29 crore and Rs. 96,681.02 crore, respectively. Further, during 2011-12, the total receipts have been revised downward from Rs.109,393.13

crore(BE) to Rs.106,646.78 crore(RE). The Committee are distressed at this sorry state of affairs in the Railways. Explanations like short fall in traffic receipts, shortfall in passenger earnings, other coaching earnings and sundry earnings, etc., are often cited by the Railways in this regard, which point towards lack of prudent planning and foresight. Though a number of steps are being taken to augment resources of the Railways, yet they have proved to be inadequate and are not able to yield the desired results. The Committee further note that compared to the previous year of 2011-12, the total receipts at the BE stage for 2012-13 is higher by Rs.26,300.76 crore at Rs.135,693.89 crore, which works out to an increase of 24.04 per cent. Keeping in mind the shortfall in achievement of targets in the previous years, the Committee are quite apprehensive of the achievement of targets during 2011-12 and 2012-13 as well.

6. An examination of the expenditure during the XI Plan period reveals that there had been a constant increase in expenditure, viz. from Rs.54942.55 crore in the year 2007-08 to Rs. 72484.53 crore in the year 2008-09, and from Rs.83685.20 crore in the year 2009-10 to Rs. 90,334.884 crore in the year 2010-11. Further, in the year 2011-12, the expenditure again increased from Rs. 97,400 crore (BE) to Rs. 99,502.39 crore (RE). As a result, the net revenue has shown a decline in 2011-12 from Rs. 11,993.13 crore (BE) to Rs.7,144.39 crore (RE), i.e. a decrease of 40.43 percent. The reason being cited is that the Ordinary Working Expenses and the pension payments exceeded the Revised Estimates, mainly due to higher staff and pension

payments arising from the implementation of the 6th CPC. Though the Ministry have taken steps to contain expenditure both under Plan and non-Plan, the gap in resources had to be bridged through a short term loan of Rs. 3,000 crore from the General revenues. While the Committee do appreciate the constraints faced by the Ministry in controlling the gross expenditure for various compelling reasons not under their control, the Committee expect that the Ministry will give serious consideration to the growing trend of expenditure over the years and will try their best to put effective control over the net expenditure to the extent possible. The Committee trust that the Ministry will take all necessary steps to avoid recurrence of the need for a loan to bridge the gap in resources.

7. The Committee further note that the BE for net revenue for the year 2012-12 has been fixed at Rs. 22,233.07 crore which is more than 200 percent over the net revenue during 2011-12 of 7,144.39 crore (likely). In the background of the earnings and expenditure trend in the Railways, the Committee would like to stress that the Ministry should now play a more active role, particularly in fulfilling their targets in respect of revenue receipts and expenditure so as to achieve optimally the target fixed for net revenue during 2012-13. As submitted, the Budget Estimates for 2012-13 for earnings and expenditure have been made on a realistic basis and taking into account the rationalization of freight and fare structure. The progress of earnings and expenditure, both revenue and Plan, will be closely monitored and efforts will be to achieve the target of net revenue. Further, a memorandum to the

Railway Convention Committee has been submitted to reduce the rate of dividend from 5 percent to 3 percent and if approved, it will provide an additional relief of about Rs. 1,400 crore. Also, as a measure of prudent financial management, Plan expenditure will be strictly regulated to synchronize with the mobilization of resources during the year. The Committee trust that the Ministry would take all these measures with full seriousness and would be able to meet the target for net revenue during the year 2012-13.

Traffic Receipts/Passenger Earnings

8. The Committee, in their 11th Report on DFG(2011-12), had commented on the shortfall in the Gross Traffic Receipts(GTR) of the Railways during 2007-08, 2008-09 and 2009-10 and apprehended that the trend of shortfall would continue in 2010-11 and 2011-12. From the figures of GTR, the Committee note that against the RE of Rs. 94840 crore, the achievement is Rs. 94536 crore. During 2011-12, the target of Rs. 106239 crore has been revised downwards to Rs. 103917 crore. The reason for the same is that the target for GTR was budgeted at Rs. 94,765 crore based on freight loading target of 944 million tonnes and anticipating 7773 million of originating number of passengers. However, in actuals the number of originating passengers remained short of the budgeted target by 36.02 million. This, along with a drop in lead against the budgeted target, adversely impacted the passenger throughput by around 26 billion passenger kms, translating into a shortfall of Rs. 334 crore. Again, during 2011-12, the decrease in the number

of originating passengers than anticipated and lesser yield in freight traffic than anticipated are the main reasons for shortfall in targets of GTR. The Committee further note that the trend of shortfall in passenger earnings during the years 2007-08, 2008-09 and 2009-10 continued in the years 2010-11 and 2011-12. During 2010-11, against the target of Rs. 26126 crore, the achievement was Rs. 25793 crore. Besides during 2011-12, the target of Rs.30456 crore has been revised downward to Rs. 28800 crore. This reflects poorly on the functioning of the Railways. The Committee would like to be assured that whatever might be the constraints, serious efforts will be made to achieve the targets.

9. The Committee note that that though the Railways have met the targets for originating passenger and 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 970. Likewise, as against the XI Plan original and revised targets for Net Tonne Kilometre (NTKM) (Billion) of 702 and 674, respectively, the likely achievement is 642 for originating Traffic(MT). The reason for the shortfall is stated to be the global slowdown and the down-turn in the Indian Economy which had an adverse impact on the Railway's freight loading in the second half of the year 2008-09 and only 1.76% growth was registered. During 2009-10, freight loading was affected due to the restriction imposed by the Government of Odisha on the loading of iron ore from 5th March 2010. In the

year 2010-11, the growth rate in the originating freight loading of the Indian Railways was only 3.77 per cent, primarily on account of the 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 the State of Odisha, etc. The continuing ban on iron ore, coupled with the restriction on mining in Karnataka for all ore, the cumbersome process of obtaining clearance from State Government of Odisha, etc. has led to a situation where growth in Export ore loading is(-)59.41% and for all Iron ore including export, growth in loading has been (-)11.49% during 2011-12 up to February 2012. The Committee express their deep concern over the under-achievement in freight traffic transportation. Needless to say, these bottlenecks have to be dealt with urgency so that the targets are optimally achieved and enough resources are generated for future growth of the Railways.

10. The Committee note that the BE for the originating freight loading for the financial year 2012-13 is 1025 million tones, and for total number of passengers is 8740.79 million which is 5.6 percent more than the BE for the Financial Year 2011-12. As submitted, certain steps are being taken to realize the targets, as for example, 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. Review of maintenance practices has also helped in improving the overall availability of wagons. Further, to increase the

physical loading gradual proliferation of enhanced axle load running is being resorted to. Special emphasis is being given for removal of bottlenecks to traffic, speedier completion of throughput enhancement works and rapid induction of newer rolling stock of enhanced capacity. The Committee hope that the Ministry will make concerted efforts for optimal achievement of the targets during 2012-13.

<u>New Lines Construction</u>

11. The Committee note that from 2007-08 to 2010-11, financial targets were revised upward at RE stage; while the physical targets were revised downwards. During 2007-08, 2008-09, 2009-10 and 2010-11, the original targets were 500 km, 350 km, 250 km and 1000 km, respectively. However, the same were revised downward to 150 km, 250 km, 200 km and 700 km respectively. The achievement was 156 km, 357 km, 258 km and 709 km, respectively. The original financial allocation during these years was Rs. 1570 crore, Rs. 1701 crore, Rs. 2922 crore and Rs. 4388 crore, respectively, which was revised upwards at RE stage to Rs. 2681 crore, Rs. 2963 crore, Rs. 3340 crore and Rs. 4991 crore. The Committee would like to be apprised of the reasons for the upward revision of financial allocation vis-à-vis downward revision of the physical targets.

12. The Committee regret to note that during 2011-12, against the original target of 1075 kms, the achievement is 727 kms. The reason for the same is

stated to be that funds for doubling and gauge conversion projects were provided through capital bonds. Since the money could not be made available through capital bonds, financial allocation of new line projects made under 'Capital' was re-appropriated to provide funds for the doubling and gauge conversion projects. The Committee are of the view that downward revision of the Plan allocations require reworking of priorities and rescheduling of activities which ultimately lead to tardy progress. The Committee strongly feel that frequent reduction in the Plan allocations must be avoided. The other reason for underachievement of targets is stated to be the slow progress of work due to heavy monsoon, delay in land acquisition, forestry clearance and contractual failures which are not at all convincing. The Committee express the view that procedural delays could have been avoided so as to reduce the shortfall to at least some extent.

<u>Gauge Conversion</u>

13. The Committee note with concern that gauge conversion is one of the major areas of shortfall during the 11th Five Year Plan. Against the target to complete 10,000 km of gauge conversion, which was revised downwards to 6000 km at mid-term appraisal of the 11th Plan, the achievement is 5321 km. The reason adduced by the Ministry is shortage of funds which resulted in the slow pace of execution of various railway projects/activities and shortfall in the achievement of targets for gauge conversion. Taking a serious view of the inadequate allocation of funds for gauge conversion, the

Committee impress upon the Ministry to take up the issue of adequate financial support to them with the Government so that important projects like gauge conversion are not stalled for want of funds.

14. The Committee are surprised to note that during 2007-08, 2008-09, 2009-10 and 2010-11, the original financial targets for gauge conversion of Rs. 2714 crore, Rs. 2744 crore, Rs. 2054 crore and Rs. 1625 crore respectively, were revised upwards to Rs.3012 crore, Rs. 3013 crore, Rs. 3156 crore and Rs. 2552 crore respectively. However, the physical target was reduced from 1800 km to 1550 km in 2007-08, from 2150 km to 1566 km in 2008-09, from 1300 km to 1225 km in 2009-10 and in 2010-11 the target was kept unchanged at 834. The Committee would like to be apprised of the reasons for the upward revision of financial allocation vis-à-vis the downward revision of the physical targets.

15. The Committee further note that though an allocation of Rs. 2776 crore was made during 2011-12 to execute 1017 km gauge conversion, only 825 km gauge conversion has been done with an expenditure of Rs. 2659 crore(likely) which is only by 4.21 percent less than the allocation made. The Committee would like to be apprised of the matter of allocation of funds vis-a-vis fixation of physical targets.

<u>Doubling</u>

16. The Committee are sorry to find that during the 11th Plan, a target to complete 6000 km of doubling was fixed, the same was however reduced at RE stage to 2500 kms and the achievement is only 2378 kms. Shortage of funds is a major reason for the slow pace of execution of various Railway projects/activities including in the achievement in the targets in respect of doubling. The Committee are of the view that shortage of funds for an important rail project like doubling would adversely affect the growth of the Railways. Hence, funds should be allocated to the project at the required level.

17. The Committee are apprised that during 2012-13, greater emphasis has been given to doubling as there is lot of congestion on rail routes and traffic movement is getting hindered on account of that congestion. With this end in view, a target of 800 km has been fixed for 2012-13 with an outlay of Rs. 3393 crore. As assured, the progress of the projects would be regularly monitored to ensure their timely completion. The Committee hope that as there is an urgent need for more doubling works, the requisite projects would be implemented with due seriousness.

<u>Rolling Stock Capacity Augmentation</u>

18. The Committee note that though the 11th Plan original targets in respect of Wagons and Locomotives have been achieved, the achievement in respect of the coaches has fallen short of the target. Against the original and

revised targets of 22500 and 19863 coaches respectively, the achievement remained only 17085. The reasons adduced by the Ministry for the shortfall in coach production is less acquisition from public/private sector units than the anticipated volume. During 2010-11, against the target of 4000 coaches, the achievement was 3649 coaches. The reason as stated is the non-receipt of coaches from BEML and other sources. Further, in 2011-12, against a target of 3786 coaches, the achievement has been 3637 coaches. The reason for shortfall is stated to be on account of supply chain problems at the RCF. On the prospect of the achievement of target of 3816 coaches during 2012-13, the Committee are informed that coach production from the Rai Bareli Coach factory will be stepped up in 2012-13. The Committee trust that the Ministry will take all necessary steps to fulfill the target in respect of coaches.

19. The Committee are informed that the Ministry have tried to address the problem of shortage of coaches by setting up new manufacturing plants. The plant at Rai Bareli is almost ready and it will be the third railway production unit for manufacture of coaches, after ICF Perambur and RCF Kapurthala which together are manufacturing almost 3,000 to 3,200 coaches per year. This plant will also progressively graduate to manufacturing 1000 coaches per year. Then two coach factories at Palakkad, the foundation stone of which has already been laid, will come up on PPP basis. Then there will be one in Kutch area and one in Karnataka as Railway's own production unit. The Railways are also procuring coaches from four production units outside, that is from the open market and they give about 400 to 500 coaches every year. The

Committee would like to be informed of the progress in respect of the above-said upcoming manufacturing units.

ROBs/RUBs

20. The Committee note that during 2007-08, 2008-09, 2009-10, 2010-11 and 2011-12 against the allocation of Rs. 551 crore, Rs. 700 crore, Rs. 1000 crore, Rs. 1000 crore and Rs. 1200 crore, respectively, for ROB/RUB projects, the expenditure remained at Rs. 384 crore, Rs. 316 crore, Rs. 541 crore, Rs. 687 crore and Rs. 801 crore, respectively. The Committee are not convinced by the reason forwarded to them for underutilization of funds that the progress of ROBs/RUBs depends on several factors like land acquisition, fund availability with State Government, sanction of corresponding work in the State Budget, approval of General Arrangement Drawing (GAD), removal of encroachments, etc. The Committee take a serious view of such an approach in implementation of the projects as these problems could have been overcome with proper planning and coordinated efforts, since, every aspect is considered when a project is sanctioned. The Committee would like to be assured that the Ministry would take all necessary steps to optimally utilize the allocations for ROB/RUB projects.

Level Crossing (LC)

21. The Committee note with concern that that more than 40 percent of the consequential train accidents, involving 60 to 70 percent of the total casualties occur at unmanned level crossings. For fast track elimination of

level crossings in the next five years, it has been decided to set up a Special Purpose Vehicle named Rail-Road Grade Separation Corporation of India and the planning in this regard is being done. The funding of the said Corporation will be from the Road Safety Fund/Central Road Fund. The Committee would like to be regularly kept apprised of the progress made in this regard.

22. The Committee are informed that the work of manning, provision of lifting barriers and basic infrastructure the main aspects of safety at LC for Railways as well as road users. The Committee find that during 2007-08, 2008-09, 2009-20 and 2010-11, out of the allocation of Rs. 500 crore, Rs. 600 crore, Rs. 700 crore and Rs. 700 crore, the utilization was to the level of Rs. 186 crore, Rs. 250 crore, Rs. 359 crore and Rs. 414 crore, respectively. The Committee regret to note that during 2011-12, the allocation of Rs. 800 crore had been revised downward to Rs. 652 crore. Against the target of manning/elimination of 2045 unmanned gates, 1806 unmanned gates were manned/eliminated during the year; hence there is a shortfall of 239 LCs. In case of provision of lifting barrier, against a target of 160, 114 nos. have been completed and there is a shortfall of 46 LCs. In case of provision of basic amenities against the target of 1011, 928 gates have been completed and there is shortfall of 83 LCs. The Committee are dissatisfied with the slow progress in this regard as it is directly related to the safety of the people. They urge the Ministry to make proactive and vigorous efforts to utilize the funds to the full extent so as to optimally achieve physical targets.

23. The Committee are given to understand that unmanned gates, where infrastructure is ready would be manned with sanction of the new post of gateman through recruitment during 2012-13. The Committee would like to be informed of the number of unmanned gates where infrastructure is ready and are awaiting sanctioning of posts. The Committee are constrained to point out that the whole exercise has no meaning when the infrastructure for manning the gates is ready but cannot be put to use because of absence of manpower.

24. The Committee note that during 2012-13, allocation for ROBs/RUBs is 39 percent more than the previous year's allocation which is for closing of unmanned level crossings. However, the Committee observe from their examination of the allocations in respect of work related to LCs that funds had never been the constraint during the 11th Plan as the same were not fully utilized. The Committee desire that in future the physical targets should have a direct linkage with the available resources. The bottlenecks in this regard should be identified and removed especially in view of the commitment by the Ministry to close about 15000 level crossings during the 12th Five Year Plan.

<u>Rail Research</u>

25. The Committee note that during 2007-08, 2008-09, 2009-20, 2010-11 and 2011-12, the original financial allocation of Rs. 60 crore, Rs. 62 crore, Rs. 61 crore, Rs. 78 crore and Rs. 71 crore, respectively, was revised downward

to Rs. 22 crore, Rs. 38 crore, Rs. 39 crore, Rs. 42 crore and Rs.39 crore, respectively. However, the actuals are Rs. 20 crore, Rs. 24 crore, Rs. 44 crore, Rs.44 crore and Rs. 38.92 crore, respectively. The Committee find to their dismay that the Ministry is far behind in achieving the projected targets. The reason for the underachievement of targets during 2011-12 is stated to be the less than expected progress of some of the research projects and contracts at RDSO. The Committee are anguished over the under-utilisations of funds allocated for Rail Research during the 11th Plan and want the Ministry to take corrective measures in this regard so that the same story is not repeated in the 12th Five Year Plan and funds of Rs.68 crore for allocated Rail Research during 2012-13 are fully utilised.

Passenger amenities

26. The Committee regret to note that the targets fixed for Model stations, Modern (Touch & Feel) stations, Adarsh stations, World Class stations, and Multi Functional complexes (MFCs) were not achieved. As against the targets of 86 Model stations, 77 Modern (Touch & Feel) stations, 302 Adarsh stations, 2 World Class stations, and 49 Multi Functional complexes (MFCs), the achievement was 24, 41, 149, NIL and 24 respectively. Scarcity of funds is stated to be the reason for the slow progress in development of Model, Modern & Adarsh stations as allocations of Rs.1100 crore during 2011-12 were revised to Rs. 763 crore. Further, progress of MFCs was affected as long term leasing of land now requires Cabinet approval and with regard to World Class Stations, a review of policy of appointment of Architect & Technical

Consultant for preparation of Master Plan & Feasibility Report for development of World Class stations has been undertaken during 2011-12. The Committee express their concern over downsizing of allocations and desire that original targets should be kept in mind and downsizing of budgetary allocations should be avoided.

27. The Committee are distressed to note that during 2009-10 and 2010-11, allocation of Rs. 1102 crore and Rs. 1302 crore for passenger amenities was revised downward to Rs. 923 crore and 998 crore and the actual achievement remained at Rs. 906 crore and Rs. 911 crore respectively, which is even less than the revised estimates. The Committee fail to appreciate the reason for the same, viz. underutilization of funds allocated under Depreciation Reserve Fund (DRF) due to slower pace of replacement/renovation works of passenger amenities in some of the Railways. They earnestly desire that projects taken up for execution must be completed in the given time frame as any delay in their completion would adversely affects the targets, physical as well as financial, of the next year.

Twelfth Five Year Plan(2012-17)/ Annual Plan(2012-13)

28. The Committee note that a committee headed by Dr. Anil Kakodkar to examine the current standards of safety on Indian Railways have recommended far reaching measures and safety protocols. Further, an expert group headed by Shri Sam Pitroda on modernization and resource mobilization has provided a blueprint for the next five years for

modernization of Indian Railways. Keeping in mind the recommendations of the above said committees, an investment of Rs.7.35 lakh crore has been proposed for the 12th Plan which represents a quantum jump over the investment during the 11th Plan of Rs. 1.92 lakh crore. As the Indian Railways has been suffering from serious capacity constraints due to inadequate investment, an attempt has been made to resolve capacity bottlenecks and investment in modernization and safety so that the Railways are able to provide satisfactory services to passengers and customers. The 12th Plan would be financed through Gross Budgetary Support of Rs. 2.5 lakh crore, Govt. Support for national projects of Rs. 30,000 crore, Ploughing back of Rs. 20,000 crore, Internal Resources of Rs. 1,99,805 crore, Extra Budgetary Resources of Rs. 2,18,775 crore and Railway Safety Fund of Rs.16,842 Crore. The Committee hope that the size of the 12th Five Year Plan allocations would be maintained at the proposed level.

29. The Committee further observe that the Twelfth Five Year Plan aim at capacity creation, network modernization, improvement in productivity and asset utilization, safety, modernization of systems including rolling stock maintenance practices and improvement in quality service. Therefore, adequate outlays have been allocated in respect of Dedicated Freight Corridors, doubling/multiple lines, induction of modern rolling stock and safety (track renewals, signalling and telecom works, construction of ROBs & RUBs to eliminate level crossings), etc. The 12th Plan outlays also include around Rs. 85000 that the Railways would have to spend besides spending on

the project through the World Bank loan and through Japan International Cooperation Agency(JICA). The Committee are informed that a Cabinet note is being drafted by the Ministry mentioning their constraints to utilise the existing funds Rs. 24,000 crore which are being given to them through the gross budgetary resources for dedicated freight corridor. And, in case the dedicated freight corridors are to go on the fast track, the Ministry would need an additional funding from the Government of India. The Committee strongly recommend that the Annual Plan allocation be stepped up at the revised estimate stage to give a momentum to the DFC project.

30. The Committee note that an allocation for 2012-13 has been made of Rs 60,100 crore and it is stated to be the highest ever Plan allocation. At the same time, they note that during 2011-12, an allocation of Rs. 56730 crore was made which is only Rs. 2470 crore *i.e.* 4.29 percent less than the current year's allocation. The same was, however reduced by Rs. 11,163 crore to Rs 46,467 crore at RE stage mainly on account of the shortfall in internal resource and EBR component of the Plan. The Committee trust that as assured by the Chairman, Railway Board, whatever commitments are made in the Budget, 2012-13 would be fulfilled in the current financial year and the allocated funds of Rs. 60,100 crore would be optimally utilized.

31. The Committee find to their dismay that the allocation of funds of Rs. 60,100 crore during 2012-13 for various railway projects/activities is grossly inadequate if compared to the overall size of the 12th Five Year Plan of Rs.

7.35 lakh crore. Further, the Gross Budgetary Support (GBS) is only Rs. 24,000 crore against a projected requirement of Rs. 46,170 crore. The Committee regret to note that various projects/schemes would get affected due to lower allocation under GBS like New Lines (including National Projects & DFC Land), Gauge Conversion (including national projects), Doubling, Traffic facilities, computerisation, Rolling Stock, Road Safety, Road Safety-LC, Road Safety-ROB, Track Renewals, Bridge Works, Signalling & Telecommunications, Electrical Projects, Other electrical works, workshops, including PUs, staff quarters, Investment in PUs & Investment in JVs and inventories. For New Lines, the proposed allocation of Rs. 13,838 crore has been drastically reduced to Rs. 6,030 crore, for gauge conversion, proposed allocation of Rs. 3,275 has been reduced to Rs. 2,145 crore, and for doubling, proposed allocation of Rs. 7,095 crore has been reduced to Rs. 3,000 crore. For road safety-ROB, proposed allocation of Rs. 2,477 crore has been reduced to Rs. 1,400 crore. For Track renewals, allocation of Rs. 3000 crore was proposed, however no amount has been provided. For signalling & telecommunications against the proposed allocation of Rs.678.05 crore, only Rs. 150 crore has been provided. The Committee express serious concern at the drastic reduction in allocations for important projects of the Railways. The substantial reduction in the plan outlay, which was assessed by the Ministry as necessary to ensure the required pace for expansion, safety and development work of Railways would result in delays and stretching of projects/schemes for implementation further resulting in their cost escalation. The Committee, therefore, desire that the

matter should be seriously taken up with the Ministry of Finance and Planning Commission at the highest level so that the Annual Plan outlays are suitably stepped up at the RE stage.

32. The Committee observe that the then Railway Minister in his Budget Speech, had proposed a hike in passenger fares across the board in order to raise financial resources of the Indian Railways internally which are much needed not only for improving passenger amenities but also for safety and development. However, the new Railway Minister, announced a roll back of the fare revision in all classes except the premium ones. The Committee note that with the increase now effective only in four classes, passenger earnings are likely to fall short by about Rs. 4,250 crore. In order to make good this shortfall, the Ministry would now have to lay more thrust on PPP, try to pick up more resources through IRFC, and control their expenditure. Further, every effort would have to be made to meet demands on the passenger side in order to increase passenger earnings. Though the Committee is quite apprehensive of the earnings of the required level, they earnestly desire that the Ministry should explore all ways and means to make good the shortfall of Rs. 4250 crore due to roll back in passenger fares.

33. The Committee learn that the Ministry of Railways had received directions from the Cabinet Secretariat vide letter dated 21.3.2011 that a policy regarding transfer or alienation of land held by the Government or Statutory authorities, etc. is being framed and in the meanwhile, all

Ministries/Departments are to seek specific approval of the Cabinet in each case of sale or long term lease of land belonging to the Government or Government controlled statutory authorities. As per the submission of Chairman, Railway Board, during evidence, the Railways had been waiting for Cabinet approval as their multi-functional complexes are ready but they are not being able to exploit them commercially. As per the written submission, a Cabinet note for permitting development of Railway land by Rail Land Development Authority for augmenting revenues is under process; views of the Ministry of Finance on the same are awaited. The Note for approval of Cabinet will be sent for consideration of Cabinet on receipt of the views of Ministry of Finance. The Committee desire that the matter should be pursued with the Ministry of Finance more vigorously so that the their efforts to garner resources through the PPP mode would bear fruit.

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

T.R. BAALU
Chairman,
Standing Committee on Railways

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

The Committee sat on Tuesday, the 3rd April, 2012 from 1100 hrs. to 1315 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 Anand Prakash Paranjpe
5. Shri Somabhai G. Koli Patel
6. Smt. Satabdi Roy
7. Smt. Yashodhara Raje Scindia
8. Shri Sharief-ud-din 'Shariq'
9. Shri Gopal Singh Shekhawat
10. Shri Ganesh Singh
11. Kunwar Rewati Raman Singh
12. Shri Lalji Tandon

RAJYA SABHA

13. Shri Ambeth Rajan
14. Shri T.M. Selvaganapathi
15. Shri Ishwar Singh
16. Shri Nandi Yellaiah

SECRETARIAT

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

REPRESENTATIVES OF THE MINISTRY OF RAILWAYS (RAILWAY BOARD)

1.	Shri Vinay Mittal	Chairman, Railway Board & Ex.-officio Secretary to the Government of India
2.	Smt. Vijaya Kanth	Financial Commissioner, Railway Board & Ex.-officio Secretary to the Government of India
3.	Shri A.P. Mishra	Member Engineering, Railway Board & Ex.-officio Secretary to the Government of India
4.	Shri Keshav Chandra	Member Mechanical, Railway Board & Ex.-officio Secretary to the Government of India
5.	Shri Kul Bhushan	Member Electrical, Railway Board & Ex.-officio Secretary to the Government of India
6.	Shri A.K. Vohra	Member Staff, Railway Board & Ex.-officio Secretary to the Government of India
7.	Shri K.K. Srivastava	Member Traffic, Railway Board & Ex.-officio Secretary to the Government of India

2. At the outset, the Chairman welcomed the Chairman, Railway Board and other officials of the Ministry of Railways (Railway Board) who had come to attend the meeting.

3. Thereafter, the Committee took oral evidence of the representatives of the Ministry of Railways (Railway Board) on 'Demands for Grants -2012-13' pertaining to their Ministry and other matters relating thereto.

4. The Committee raised certain points for clarification relating to 'Demands for Grants – 2012-13 of the Ministry of Railways'. The representatives of the Ministry replied to the same.

5. The evidence remained inconclusive.

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

The Committee then adjourned to meet again on 17.04.2012.

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

The Committee sat on Tuesday, the 17th April, 2012, from 1100 hrs. to 1340 Hrs. in Committee Room No. '62', Parliament House, New Delhi.

PRESENT

SHRI T.R. BAALU - CHAIRMAN

MEMBERS

LOK SABHA

2. Shri Khiladi Lal Bairwa
3. Shri Ram Sunder Das
4. Shri K. Bapiraju
5. Dr. (Smt.) Botcha Jhansi Lakshmi
6. Shri Anand Prakash Paranjpe
7. Shri Somabhai G. Koli Patel
8. Smt. Satabdi Roy
9. Smt. Yashodhara Raje Scindia
10. Shri Sharief-ud-din 'Shariq'
11. Shri Gopal Singh Shekhawat
12. Shri Ganesh Singh
13. Kunwar Rewati Raman Singh
14. Shri Lalji Tandon
15. Dr. Girija Vyas
16. Shri Nama Nageswara Rao

RAJYA SABHA

17. Shri Om Prakash Mathur
18. Smt. Kusum Rai
19. Shri Ambeth Rajan
20. Shri Tarini Kanta Roy
21. Shri Ishwar Singh
22. Shri Ramchandra Prasad Singh
23. Shri Nandi Yellaiah

SECRETARIAT

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

REPRESENTATIVES OF THE MINISTRY OF RAILWAYS (RAILWAY BOARD)

1.	Shri Vinay Mittal	Chairman, Railway Board & Ex.-officio Secretary to the Government of India
2.	Smt. Vijaya Kanth	Financial Commissioner, Railway Board & Ex.-officio Secretary to the Government of India
3.	Shri A.P. Mishra	Member Engineering, Railway Board & Ex.-officio Secretary to the Government of India
4.	Shri Keshav Chandra	Member Mechanical, Railway Board & Ex.-officio Secretary to the Government of India
5.	Shri Kul Bhushan	Member Electrical, Railway Board & Ex.-officio Secretary to the Government of India
6.	Shri A.K. Vohra	Member Staff, Railway Board & Ex.-officio Secretary to the Government of India
7.	Shri K.K. Srivastava	Member Traffic, Railway Board & Ex.-officio Secretary to the Government of India

2. At the outset, the Chairman welcomed the Chairman, Railway Board and the representatives of the Ministry of Railways (Railway Board) to the sitting of the Committee.

3. Thereafter, the oral evidence of the representatives of Ministry of Railways (Railway Board) on 'Demands for Grants -2012-13 of the Ministry of Railways was completed. The Members raised a number of queries which were answered by the representatives of the Ministry of Railways (Railway Board). The evidence was concluded.

4. A presentation on Plan head-wise physical and financial performance of the Railways could not be taken up in full. It was decided to take up the presentation in the subsequent meeting.

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

6. The witnesses then withdrew.

The Committee then adjourned.

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

RAJYA SABHA

12. Shri Om Prakash Mathur
13. Smt. Kusum Rai
14. Shri Ambeth Rajan
15. Shri Tarini Kanta Roy
16. 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) xxx xxx xxx

(ii) Draft Report on Demands for Grants – 2012-13 of the Ministry of Railways.

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.

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