22

STANDING COMMITTEE ON RAILWAYS

(2013-14)

FIFTEENTH LOK SABHA

MINISTRY OF RAILWAYS
(RAILWAY BOARD)

[Action taken by the Government on the recommendations/ observations contained in the Twentieth Report of the Standing Committee on Railways (Fifteenth Lok Sabha) on 'Demands for Grants - 2013-14 of the Ministry of Railways']

TWENTY SECOND REPORT

LOK SABHA SECRETARIAT
NEW DELHI

December, 2013/ Agrahayana, 1935 (Saka)

SCR NO. 184

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Presented to Lok Sabha on 18.12.2013
Laid in Rajya Sabha on _______

LOK SABHA SECRETARIAT
NEW DELHI

December, 2013/ Agrahayana, 1935 (Saka)

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Shri T. R. Baalu - Chairman

MEMBERS

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3. Dr. Ram Chandra Dome
4. Smt. Maneka Sanjay Gandhi
5. Shri Pralhad Joshi
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10. Shri Anand Prakash Paranjpe
11. Shri Rayapati Sambasiva Rao
12. Shri Rudra Madhab Ray
13. Shri Magunta Sreenivasulu Reddy
14. Smt. Satabdi Roy
15. Smt. Yashodhara Raje Scindia
16. Shri Ganesh Singh
17. Shri Lal Ji Tandon
18. Shri Ashok Tanwar
19. Shri Harsh Vardhan
20. Dr. Vivekanand
21. Smt. Dimple Yadav

<u>RAJYA SABHA</u>

22. Shri Husain Dalwai
23. Shri Prabhat Jha
24. Shri Om Prakash Mathur
25. Dr. Barun Mukherji
26. Shri K. Parasaran
27. Shri Ambeth Rajan
28. Shri Tarini Kanta Roy
29. Shri Bashistha Narain Singh
30. Shri Ishwar Singh
31. Shri Nandi Yellaiah

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 (2013-14), having been authorized by the Committee to present the Report on their behalf, present this Twenty Second Report of the Committee on action taken by the Government on the Recommendations/Observations contained in the Twentieth Report of the Standing Committee on Railways on Demands for Grants - 2013-14 of the Ministry of Railways.

2. The Twentieth Report was presented to the Lok Sabha on 22.04.2013 and it contained 50 recommendations/observations. The Ministry of Railways have furnished their action taken replies in respect of all the recommendations/observations.

3. The Committee considered and adopted the draft Action Taken Report at their sitting held on 17.12.2013.

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

NEW DELHI;
17 December, 2013
26 Agrahayana, 1935 (Saka)

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

CHAPTER-I

REPORT

This Report of the Committee deals with the Action Taken by the Government on the recommendations and observations contained in the Twentieth Report of the Standing Committee on Railways(2012-13) on "Demands for Grants (2013-14)" of the Ministry of Railways. The Report was presented to the Lok Sabha and laid in Rajya Sabha on 22.04.2013.

2. Action Taken Notes have been received from the Government on all the 50 recommendations/observations contained in the Report. These have been broadly categorized as follows:

(i) Recommendations/observations which have been accepted by the Government:-
Para Nos. 1, 2, 3, 4, 7, 8, 9, 10, 11, 12, 13, 15, 16, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 35, 36, 37, 40, 41, 43, 44, 47, 49 and 50

Total : 35

Chapter-II

(ii) Recommendations/observations which the Committee do not desire to pursue in view of the Government's replies:-
Para Nos. 5, 6, 18, 31, 32, 33, 34, 38, 39 and 46

Total : 10
Chapter-III

(iii) Recommendations/observations in respect of which replies of the Government have not been accepted by the Committee and which require reiteration:-
Para Nos. 14, 17, 42, 45 and 48

Total : 05
Chapter-IV

(iv) Recommendations/observations in respect of which final replies are awaited:-
Para Nos. NIL

Total : NIL
Chapter-V

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

4. The Committee will now deal with the action taken by the Government on some of their recommendations/observations.

A. TWELFTH PLAN TARGETS

(Recommendation Para No. 1)

5. The Committee had noted 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 (EBS) of Rs.79,654 crore had fallen short of the target by Rs.42,449 crore at Rs.1,90,840 crore. Against the target of Rs.90,000 crore for internal resources and the target of Rs.79,654 crore of EBR, the Ministry could raise only Rs.66,704 and Rs. 48,504 crore, leaving a shortfall of Rs.23,296 crore and Rs.31,154 crore, respectively. As this reflected poorly on the performance of the Ministry of Railways, the Committee had desired the Ministry of Railways to ensure that targets fixed during the 12th Plan are optimally achieved.

6. The Ministry of Railways, in their action taken notes, have stated as under:

" Ministry of Railways had proposed on outlay of Rs.5.48 lakh crore with the following breakup:-

(i) Gross Budgetary Support- Rs.3,16,842 Crore.
(ii) Internal Generation- Rs. 59,370 Crore.
(iii) Extra Budgetary Resources- Rs.1,72,590 Crore
Total- Rs.5,48,802 Crore

Planning Commission has reduced the outlay to Rs.5.19 lakh crore and also changed the distribution of funding sources. The GBS has been reduced by 40%, whereas Internal Generation increased by 77% and EBR increased by 27%. The source of funding the 12th Plan as approved is given below:

(i) GBS - Rs.1,94,221 Crore
(ii) Internal Generation- Rs.1,05,000 Crore
(iii) EBR - Rs.2,20,000 Crore (Bond Rs.1,20,000 Crore & PPP – Rs.1,000,00 Crore)
Total - Rs.5,19,221 Crore

All efforts are being made by Ministry of Railways to mobilize the resources for the Twelfth Five Year Plan, however mobilization of Rs.1,00,000 Crore towards PPP (Public Private Partnership) would be difficult to materialize keeping in view the inherent challenges in PPP in rail sector with projects having long gestation periods and processes involved in undertaking these projects, given the nuances involved in each type of project."

7. The Committee are not happy with the reduction made by the Planning Commission in the financial outlay proposed by the Ministry of Railways for the 12th Five Year Plan. Ministry of Railways had proposed an outlay of Rs.5.48 lakh crore; however, the Planning Commission has reduced the same to Rs.5.19 lakh crore and also changed the distribution of funding sources. The Gross Budgetary Support has been reduced by 40 percent from Rs.3,16,842 Crore to Rs.1,94,221 Crore, whereas Internal Generation

increased by 77 percent from Rs.59,370 Crore to Rs.1,05,000 Crore and Extra Budgetary Resources by 27 percent from Rs. 1,72,590 Crore to Rs. 2,20,000 Crore (Bond Rs.1,20,000 Crore & PPP – Rs.1,000,00 Crore). The Committee urge the Ministry to take up the issue of inadequate budgetary support to them with the Government at the highest level specially in view of the large number of pending and ongoing railway projects so that the important projects are undertaken/completed and their benefit reaches the nation at the earliest.

8. The Committee have been apprised that the Ministry of Railways have been making all efforts to mobilize the resources for the Twelfth Five Year Plan; however, they have expressed their constraints in mobilising Rs.1,00,000 crore towards Public Private Partnership (PPP) in view of the inherent challenges in PPP in rail sector with projects having long gestation periods and processes involved in undertaking such projects, given the nuances involved in each type of project. Though, the Committee do appreciate the constraints being faced by the Ministry, they expect them to make all-out efforts towards mobilising resources through PPP.

B. GROSS BUDGETARY SUPPORT DURING TWELFTH PLAN

(Recommendation Para No. 9)

9. The Committee in their Report had been constrained to observe that the Ministry of Railways had sought Gross Budgetary Support (GBS) of Rs.3,16,842 crore for meeting the stipulated 12^{th} Plan targets but the same was reduced to Rs.1,94,221 crore and after meeting the requirement of Rs.80,000/- crore for the Dedicated

Freight Corridors and National Project commitment of Rs.30,000/- crore, the Ministry would be left with only Rs.84,221/- crore which would be marginally higher than that of the 11th Plan GBS of Rs.77,039 crore. The Committee had opined that such drastic reduction in the proposed outlay would undoubtedly result in thin spreading of funds over various railway projects and apprehended substantial shortfall in targets for important railway projects.

10. The Ministry of Railways, in their action taken notes, stated as under:

"It is a fact that plan size has been reduced drastically. Total projected outlay for New Line (Rs.35000 Crore), Gauge Conversion (Rs.6850 Crore) and Doubling (Rs.20571 Crore) totaling to Rs.62421 Crore.
Further the annual allocation for 2012-13 & 2013-14 for new line, gauge conversion and doubling is not even proportionate to the projected outlay of 12th Plan. As against proportionate projection of Rs.12500 Crore for these Plan Heads, outlay of Rs.9400 Crore & Rs.9700 Crore has been allotted in 2012-13 & 2013-14. Outlay of 2013-14 has been reduced from Rs.9700 Crore to Rs.9100 Crore. This will affect the targets for these crucial infrastructural projects very adversely. With such reduction, the reduced targets that can be achieved in the 12th Plan are as under:-
(i) New Line – 1392 Kms. (against Planning Commission target of 4000 Kms.).
(ii) Gauge Conversion- 2000 Kms.(against Planning Commission target of 5500 Kms.).
(iii)Doubling- 4633 Kms.(as against Planning Commission target of 7653 Kms.).
These targets can be achieved if proportionate annual outlay is provided for these Plan Heads, including the backlog of first two years in the remaining period of 12th Plan."

11. The Committee note with concern that the Ministry had projected an outlay of Rs.35000 crore for New Line, Rs.6850 crore for Gauge Conversion and Rs.20571 crore for Doubling for the 12th Plan, totalling Rs.62421 crore. However, as against the proportionate projection of Rs.12500 crore for these Plan Heads, an outlay of only Rs. 9400 crore & Rs.9700 crore has been allotted in 2012-13 & 2013-14 and outlay of 2013-

14 has been reduced from Rs.9700 crore to Rs.9100 crore which would adversely affect the targets for these crucial infrastructural projects. With such reductions, the Ministry, in the 12th Plan, would be able to complete 1392 kms of New Line, 2000 kms of Gauge Conversion and 4633 kms of doubling as against the Planning Commission's target of 4000 kms. of New Line, 5500 kms. of Gauge Conversion and 7653 kms. of Doubling. The Committee, in their earlier reports, had been very emphatic about providing adequate financial allocation to the Ministry of Railways, as such allocations have become more imperative for the Ministry for investment in modernisation and safety measures in order to provide better services and safety to the passengers which they deserve. Non-availability of adequate funds has become a matter of grave concern and needs utmost and immediate attention of the Planning Commission so as to provide qualitative and safe train services to the people.

C. ALLOCATION FOR NATIONAL PROJECTS

(Recommendation Para No. 14)

12. The Committee, in their Report, had noted with distress that during 2013-14, out of the total allocation of Rs.6100 crore for New Line projects in 2013-14, Rs.2,200 crore had been provided for National Projects in Jammu & Kashmir and the North Eastern Region. Further, a target of 500 km of new line completion includes the Udhampur-Katra section in Jammu & Kashmir and the remaining portion of Harmuti-Naharlagun project providing connectivity to the Capital of Arunachal Pradesh and the balance portion of Dudhnoi-Mehandipathar providing connectivity to capital of

Meghalaya and only 25 km section on National Projects of Jammu and Kashmir would be completed. Keeping in view the limited presence of Railways in the North-East States and the Himalayan region, the Committee had strongly felt that people of these areas should no more be deprived of the benefits of rail services for reasons of resource crunch and had desired that the Ministry of Railways should take up the matter for enhancing the GBS, particularly for National Projects with the Planning Commission and the Ministry of Finance at the highest level to make the budgetary exercise more meaningful.

13. The Ministry of Railways, in their action taken notes, have stated as under:

> *"Ministry of Railways has always given North Eastern Region its due weightage. Presently, projects with a throwforward of Rs.27,686 crore are in progress over NE Region and Jammu & Kashmir. 11 projects of North East region and J&K are identified as National Projects. For this purpose, North East Region Rail Development Fund (NERRDF) which is a non-lapsable special fund was set up for implementation of these national projects. Funds to the tune of 25% of yearly requirement were to be provided by Railway through GBS and 75% funds were to be provided by Ministry of Finance as additionality to GBS. Although Cabinet Committee on Economic Affairs approval for creation of funds has been obtained, fund is yet to be operationalized. Despite constant pursuing by Ministry of Railways, funds for the National Projects are being clubbed along with the GBS being extended by Ministry of Finance and are not being provided as additionality over and above the GBS. Railways are in continuous interaction with Planning Commission regarding Five Year Plan Outlay demarcated for Railways and also the quantum of Gross Budgetary Support (GBS) for funding New Lines, Gauge Conversion and Doubling works as Railways' internal generation is inadequate to fund the capital intensive projects".*

14. The Committee are aware that the Railways have very little presence in the North-East States and the Himalayan region. Keeping this in view, the matter becomes more alarming when adequate funds are not sanctioned for the projects which are in progress in the NE Region and

Jammu & Kashmir with a throw-forward of Rs.27,686 crore. Moreover, there are 11 projects of North East region and J&K which are identified as National Projects. The need of the hour is to provide better rail connectivity for these regions with the other parts of India and these projects are completed in a timebound manner. The Committee reiterate that the matter for provision of adequate funds under the North East Region Rail Development Fund (NERRDF) should be vigorously pursued with the Planning Commission and the Ministry of Finance so that the projects identified as National Projects in Jammu & Kashmir and the North Eastern Region do not face any resource crunch.

D. REVIEW OF PENDING PROJECTS

(Recommendation Para No.17)

15. In their 20th Report on DFG(2013-14), the Committee had noted with great concern that the Railways had as many as 88 projects which were sanctioned more than 10 years ago and some of them even 20 years ago which were lying incomplete. Further, among those 88 projects, there was one new line project each that was included in the Budget way back in the years 1974-75, 1981-82, 1983-84, 1984-85, 1985-86 and 1987-88. The Committee had expressed their serious doubts about the utility of many such projects and desired that the Ministry should carry out a proper review at the highest level in this regard so that decision to continue with such projects could be taken accordingly.

16. The Ministry of Railways, in their action taken notes, have stated as under:

"*Ministry of Railways in consultation with Ministry of Finance and Planning Commission have prioritized the projects so as to give direct and pointed attention to these works which are last mile* *projects, port connectivity and those providing alternate routes. Such projects are being accorded highest priority."*

17. The Committee are not satisfied with the reply of the Ministry of Railways. Though they consider the steps taken by the Ministry to prioritise the projects to give direct and pointed attention to the works which are last mile projects, port connectivity and those providing alternate routes, to be in the right direction, they reiterate that the Ministry should review their decision at the highest level whether or not to continue with the projects pending for 10 years, 20 years and one project each pending since 1974-75, 1981-82, 1983-84, 1984-85, 1985-86 and 1987-88. The Committee would like to be informed in this matter.

E. CONSTRUCTION OF ROBs/RUBs

(Recommendation Para No. 42)

18. The Committee, in their Report, noted with distress the tardy progress in respect of ROBs/RUBs during 2012-13. Against the work sanctioned to construct 379 ROBs/RUBs on cost sharing basis, only 90 could be completed upto 31 March, 2013. Further, since 2003-04, the achievement in respect of ROBs/RUBs was found to be far below the targets. The Committee were not convinced by reasons cited by the Ministry for under-achievement of targets viz. late sanction of corresponding work in the State Budget, inadequate fund allocation by the State Government, non-submission of General Arrangement Drawing (GAD) & estimate by the State Govt., frequent changes in alignment of approaches, late finalisation of tender for the work of approaches, non-availability of encumbrance free land for construction of approaches, not providing undertaking to maintain road and drainage in future for RUBs and delay in providing consent of closure of level crossings. As these problems were not new to the Ministry and were faced by them every year, the Ministry should

have taken some concrete action to resolve them. The Committee had urged the Ministry of Railways to give a serious thought in this direction.

19. The Ministry of Railways, in their action taken notes, have stated as under:

> *"Zonal Railways have been advised to conduct bi-monthly meeting with the State Govt./ NHAI to resolve the interface issues regarding such works with them. However, there are State Govts. like UP & West Bengal who have shown their un willingness to share the cost due to scarcity of funds at their end."*

20. The Committee note that the Ministry have advised the Zonal Railways to conduct bi-monthly meeting with the State Govt./NHAI to resolve the interface issues regarding works related to ROBs/RUBs with them. The Committee feel that these steps should have been taken much earlier. However, it may be ensured that these meetings are held regularly and constantly monitored. The Committee further desire that the matter should be pursued on a regular basis with the State Governments of UP & West Bengal who have shown their unwillingness to share the cost due to scarcity of funds at their end. The Committee expect that the other State Governments are effectively cooperating in the matter. They desire the Ministry to gear up its implementing machinery as construction of only 90 ROBs/RUBs upto 31 March, 2013, out of the sanctioned 379 ROBs/RUBs cannot be termed a satisfactory performance at all.

F. FUNDS FOR ROAD SAFETY WORKS

(Recommendation Para No. 44)

21. The Committee, in their Report had noted with concern that the total requirement of funds for road safety works had been Rs.36,830 crore; however, the average annual accrual in Road Safety funds was only Rs.1,050 crore and with the existing level of allocation of about Rs.1,050 crore per annum, the expected completion period of works would be about 34 years. They desired that the Ministry of Railways should pursue the matter vigorously with the Ministry of Finance for additional allotment of funds from the Central Road Fund to execute the sanctioned work. Safety is a necessary mandate for running of trains; hence, it should not be compromised under any circumstances. The Committee would also like to be informed of the progress in the matter.

22. The Ministry of Railways in their action taken note have stated as under:

> *"MOR vide their letter dated 13.02.2013 has approached Ministry of Finance (MOF) to enhance the share of MOR from Central Road Fund (CRF) from existing Rs.1,100 crores to 5,000 crores for next seven years. But, the response from MOF is still awaited.*
>
> *In the mean time Ministry of Railway has moved a Cabinet Note in the month of Feb'2013 seeking approval of the Cabinet Committee on Economic Affairs for enhancement of Cess on diesel and petrol each by Rs. 0.20 per litre to take it to Rs.2.20 per litre as against the existing Rs.2.00 per litre and its distribution to Ministry of railways as an additionality over the distribution being done as per the existing formula for providing requisite funds to Ministry of Railways for undertaking works for time-bound elimination of level crossings. However, the PMO has asked MOR to withdraw the Cabinet Note".*

23. The Committee reiterate that the Ministry of Railways should follow up the matter with the Ministry of Finance (MOF) to enhance their share of the Central Road Fund (CRF) as safety is a pre-requisite for running of trains and cannot be compromised under any circumstances.

The Committee would also like to be informed of the progress in the matter.

G. MANNING OF UNMANNED LEVEL CROSSINGS

(Recommendation Para No. 45)

24. The Committee, in their Report, had observed that 40 percent of consequential rail accidents and 60 percent of fatalities are accounted for by level crossings. They were constrained to note that during 2012-13, against the target for manning of 1,066 unmanned level crossings, 461 LC gates could be manned upto March, 2013 and there were 440 LC gates where the infrastructure was ready; however, they were awaiting manpower. The Committee had desired that the infrastructure ready at the 440 LCs should not remain idle for want of staff.

25. The Ministry of Railways, in their action taken notes have, stated as under:

> *"All-out efforts are being made by Ministry of Railway to man the aforesaid 40 Level Crossings (LCs) where infrastructure is ready. Upto May'2013, 62 LCs have already been manned".*

26. The Committee note to their dismay that out of 440 Level Crossings(LCs) where infrastructure were ready, 62 LCs could be manned upto May, 2013 and 378 LCs still remains unmanned. The Committee note with concern the fact that the LCs where infrastructure is ready are not being manned for want of staff. The Committee, therefore, reiterate that the Ministry should take immediate steps to have adequate staff to man the remaining unmanned LCs. The Committee would like to be informed of the progress in the matter.

H. NEW TRAIN SERVICES

(Recommendation para No.48)

27. The Committee, in their 20th Report on DFG(2013-14) had observed that the Ministry of Railways had announced 175 new train services during Rail Budget 2012-13; however, 18 train services could not be commissioned during the year due to constraints like sanction of the Commissioner for Railway Safety, gauge conversion work, completion of new line and availability of rolling stock and they would be introduced in due course of time once the constraints are overcome. According to the Committee, these factors should have been taken into consideration well in advance before a decision was taken to announce a new train service. They, therefore, urged the Ministry that utmost care should be taken before making announcements for new train services

28. The Ministry of Railways, in their action taken notes have, stated as under:

> *"Out of 175 train services announced in Railway Budget 2012-13, at present, 15 train services including 11 new introductions, 2 extension and increase in frequency of 2 trains announced in Railway Budget 2012-13 are still to be introduced due to various constraints like sanction of the Commissioner for Railway Safety, gauge conversion work, completion of new line, availability of rolling stock, etc. Earnest efforts are being made for introduction of these trains at the earliest".*

29. The Committee are not satisfied with the reply of the Government that due to constraints, viz. sanction of the Commissioner for Railway Safety, gauge conversion work, completion of new line, availability of rolling stock, etc., 15 train services could not be introduced as in their view such factors should have been envisaged at the planning stage before a decision to announce new trains in the Budget was taken. The Committee,

therefore, reiterate that if an announcement is made in the Rail Budget for starting a new train service, every possible measure should be taken by the Ministry to implement the same in a time-bound manner. The Ministry should avoid making such announcements which are not feasible or where delays are expected. The Committee would like to be apprised as soon as these train services are started.

CHAPTER-II

RECOMMENDATIONS/OBSERVATIONS WHICH HAVE BEEN ACCEPTED BY THE GOVERNMENT

Recommendation (Para No. 1)

The Committee note 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 (EBS) of Rs. 79,654 crore has fallen short of the target by Rs. 42,449 crore at Rs. 1,90,840 crore. Internal generation of resources and Extra Budgetary Resources remained the major areas of shortfall. Against the target of Rs. 90,000 crore for internal resources and the target of Rs. 79,654 crore of EBR, the ministry could raise only Rs. 66,704 and Rs. 48,504 crore leaving a shortfall of Rs. 23,296 crore and Rs. 31,154 crore, respectively. This speaks poorly about the performance of the Ministry of Railways during the 11th Five year Plan. The Committee desires the Ministry of Railways to ensure that targets fixed during the 12th Plan are optimally achieved.

Reply of the Government

Ministry of Railways had proposed on outlay of Rs. 5.48 lakh crore with the following breakup:-

(i) Gross Budgetary Support-	Rs. 3,16,842 Crore.
(ii) Internal Generation-	Rs. 59,370 Crore.
(iii) Extra Budgetary Resources-	Rs. 1,72,590 Crore
Total-	Rs.5,48,802 Crore

Planning Commission has reduced the outlay to Rs. 5.19 lakh crore and also changed the distribution of funding sources. The GBS has been reduced by 40%, whereas Internal Generation increased by 77% and EBR increased by 27%. The source of funding the 12th Plan as approved is given below:

(i) GBS - Rs. 1,94,221 Crore

(ii) Internal Generation - Rs. 1,05,000 Crore

(iii) EBR - Rs. 2,20,000 Crore *(Bond Rs. 1,20,000 Crore & PPP – Rs. 1,000,00 Crore)*

Total - Rs. 5,19,221 Crore

All efforts are being made by Ministry of Railways to mobilize the resources for the Twelfth Five Year Plan, however mobilization of Rs. 1,00,000 Crore towards PPP (Public Private Partnership) would be difficult to materialize keeping in view the inherent challenges in PPP in rail sector with projects having long gestation periods and processes involved in undertaking these projects, given the nuances involved in each type of project.

Comments of the Committee

Please see recommendation at Para Nos. 7 & 8 of Chapter I

Recommendation No.2

Though the Committee understand that the extra burden of the 6th Central Pay Commission of over Rs.70,000/- crore on the Ministry have led to a shortfall in internal generation of resources during the 11th Plan, they are not convinced by the oft repeated reason adduced by the Ministry like non-realisation of freight loading targets due to slow down in the growth of core sectors of the economy as these factors were well anticipated. The Committee fail to understand that when the same problem is faced year after year, what stops the Railways from taking corrective steps. It clearly shows that there is lack of foresight on the part of the Railways in anticipating the impending road blocks. The Committee, therefore, urge the Ministry to take some effective measures so that their targets in respect of freight loading are realised.

Reply of the Government

Targets for various commodities are fixed on the basis of past trends and indications/ projections for the coming year after interaction with major consumers, Industry Associations, Coordinating Ministries of the Central Government, etc. On an overall basis, the projections of growth in the economy, especially in the core sector to which the Railway Freight Traffic primarily caters is a guiding factor while deciding the overall targets for the coming year. Railways have by and large, barring exceptions, outpaced the growth of the core sector of the economy. At the same time, higher targets are also fixed so that the individual field units strive to achieve such targets. Unforeseen factors such as global slowdown or slowdown in core sectors in the country or high prices of imported fertilizers and raw material for fertilizers leading to slow growth in the fertilizer sector, restrictions on movement of iron ore, etc. Cannot be taken into account while setting targets.

Initiatives undertaken to increase freight loading and earnings are as under:

1. Increase in the permissible carrying capacity:

For optimization of carrying capacity of wagons, permissible carrying capacities of some open and flat wagons were increased by one tonne with corresponding reduction of one tonne in the loading tolerance.

2. Frieght Incentive Schemes

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

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

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

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

IV. Incentive Schemes for Incremental Traffic: In order to further boost up dispatches from our regular customers, graded freight concession is afforded for incremental loading beyond prescribed benchmark plus 10% under certain conditions.

3. **Liberalized Wagon Investment Scheme (LWIS):** The objective of the scheme is to invite end users to invest in Special Purpose Wagons and High Capacity Wagons for their commodities to move between their terminals. 15 rakes have been inducted in this scheme and approval for 54 rakes have been given.

4. **Wagon Leasing Scheme (WLS):** This scheme is to develop a strong wagon leasing market by encouraging third party leasing of wagons, particularily with a view to bring in wagons of improved designs. Two Wagon Leasing Companies have applied for registration and have been given approval.

5. **Private Frieght Terminals (PFT):** The objective of this policy is to enable a rapid development of a network of freight handling terminals with the participation of the private sector by offering integrated admission and cost effective logistics and warehousing solutions to users. 9 PFTs have been notified so far. In principle approval has been given to 20 PFTs. Proposals for 11 PFTs are under consideration.

6. **Special Freight Train Operator Scheme (SFTO):** The objective of the policy is to increase railway share in transportation of non-conventional traffic in High Capacity or Special Purpose Wagons thereby increasing commodity based railway traffic. This provides an opportunity to logistics service providers

to invest in wagons for transportation of selected commodities. Approval has been given for movement of caustic soda.

7. **Automobile Freight Train Operator Scheme (AFTO):** This policy, which has been revised recently to meet the requirements of stake holders, provides an opportunity to logistics service providers and road transporters to invest in wagons for transportation of automobiles.

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

Recommendation No.3

The Committee find from the details regarding growth of railway freight loading and the Index of Industrial Production (IIP) indices for the core sector on which the Railway freight loading is primarily dependent, that during the 11th plan, in most of the core sector commodities, the loading by Railways has been at par or higher than the growth of the sector per se as reflected by the IIP figures. During 2007-08, 2008-09, 2009-10, 2010-11 and 2011-12, the core sector growth in percentage via-a-vis growth in railway freight loading was 5.2 percent and 8.98 percent, 2.8 percent and 4.92 percent, 6.6 percent and 6.56 percent, 6.6 percent and 3.77 percent and 4.4 percent and 5.24 percent, respectively. Evidently, there is ample scope for growth in railway loading despite no growth or negative growth in the core sector. The Committee, therefore, strongly recommend the Ministry to pay their utmost attention in this direction and take every possible measure to enhance railway freight loading.

Reply of the Government

All efforts are being made by the Indian Railways to enhance the reailway freight loading. Originating freight loading target for the year i.e. 2013-14 has been fixed at 1050.50 MT (including Konkan Railway) with an increase of 40.63 MT over 2012-13.

Recommendation No.4

The Committee observe that with a view to increasing the Railways share in transportation of non-conventional traffic in high capacity and special purpose wagons, thereby increasing commodity base of Rail traffic, a policy on Special Freight Train Operator Scheme (SFTO) was launched on 31.05.2010. Only one firm has been registered under this scheme so far. Further, with a view to increasing Railways share in transportation of Automobile Traffic, a policy on Automobile Freight Train Operator (AFTO) Scheme was initially issued on 19.07.2010 and further revised during 2013. Two firms have applied for registration under AFTO policy along with an initial application fee. Further, the Liberalized Wagon Investment Scheme (LWIS), a policy issued on 15.04.2008, allows investment by End users, viz. producers, manufacturers and consumers of goods in Special Purpose Wagons (SPW) and High Capacity Wagons (HCW). Further, revised policy guidelines on LWIS were issued on 02.01.2012. So far, approval for procurement of 54 rakes by 10 firms, has been accorded to various customers by Ministry of Railways, out of which 14 rakes have been procured/ inducted and are running on the system. The investment is approximately to the tune of Rs. 333 crore. The Committee observe that the progress in respect of SFTO, AFTO and LWIS has been tardy which needs to be urgently addressed. The Committee urge the Ministry to explore ways and means to increase Railway‟s share in non-core sector to bridge the gap in earnings due to the slow down in the core sector of the economy.

Reply of the Government

All the policies have been revisied on the suggestions given by the customers and stakeholders. Revised policies of AFTO & LWIS have been issued and SFTO is under review.

Recommendation No.7

The Committee are informed that non-availability of sufficient funds during the 11th Plan has also affected work in various other Plan heads like bridges, track renewals, signaling and telecom and Metropolitan works. Physical targets for these works are reviewed on year to year basis in Annual Plans based on the availability of funds. Against the targeted outlay of Rs. 3400 crore for Bridge works, Rs. 21,405 crore for Track Renewals, Rs. 9,900 crore for Signaling & Telecom and Rs. 4,450 crore for Metropolitan Projects, the actual outlay was Rs. 1,875 crore, Rs. 15,618 crore, Rs. 5,567 crore and Rs. 3,179 crore, respectively. Further, against the targeted outlay of Rs. 21,188 crore for new lines, Rs. 17,300 crore for gauge conversion and Rs. 16,000 crore for doubling, the actual allotment has been Rs. 20,045 crore, Rs, 14,703 crore and Rs. 10,240 crore only and this has impacted the physical progress of doubling and gauge conversion work, besides the impact on modernization and technology upgradation. The Committee express serious concern at downsizing the 11th Plan outlay under various Plan heads. The Committee feel that the proposed outlays which have been assessed by the Ministry as necessary to ensure the required pace of development of a project should not be curtailed as the reduction in the proposed outlays results in delays in implementation and postponement of important projects of Railways.

Reply of the Government

Creation of infrastructure is primarily financed through Gross Budgetary Support (GBS) extended by Ministry of Finance and Planning Commission. Against the GBS of Rs. 3,16,842 crores proposed by Ministry of Railways (MoR) for the XIIth Five Year Plan, GBS of Rs. 1,94,221 crores has been approved by Planning Commission. Reduction in Plan size would definitely affect the physical progress of Doubling, Gauge Conversion and New Line projects. Furthermore, against the proportionate yearly GBS of Rs. 38844 crores for the first two years, actual GBS given was Rs. 26,317 crores in 2012-13 and

Rs. 27102 crore in 2013-14. Such drastic downsizing of GBS has impacted the progress of Doubling, Gauge Conversion and New Line projects in 12th Five Year Plan.

Ministry of Railways had proposed on outlay of Rs. 5.48 lakh crore for the 12th Five Year Plan. This included Gross Budgetary Support (GBS) of Rs. 3,16,842, Crore.

Planning Commission has approved outlay of Rs. 5.19 lakh crore and moreover reduced the GBS allocation from the proposed level of Rs.3,16,842 Crore to Rs. 1,94,221 Crore. The details of the 12th plan outlay approved by Planning Commission are as under:-

(i) GBS - Rs. 1,94,221 Crore
(ii) Internal Generation - Rs. 1,05,000 Crore
(iii) EBR - Rs. 2,20,000 Crore ***(Bond Rs. 1,20,000 Crore & PPP – Rs. 1,000,00 Crore)***

Total - Rs. 5,19,221 Crore

The reduction in plan size particularily the GBS will affect the capacity augmentation and modernization works under various plan heads to be undertaken in the plan period. Since JICA and World Bank loan for Project to the tuneof Rs. 52,000 crore have to flow through the GBS, Planning Commision has been requested to allocate Externally Aidede Project (EAP) component of JICA and World Bank loan for the DFC Project over and above the regular GBS so that the GBS for other railway projects are not affected.

Recommendation No.8

The Committee find that during the 12th Plan the target for internal resource mobilisation is Rs.1,05,000/- crore and that of EBR is Rs.2,20,000/- crore (bonds – Rs.1,20,000/- crore & PPP – Rs.1,00,000/- crore). The Ministry of Railways have taken several measures to avoid shortfalls in the 12th Plan; viz. Fuel Adjustment Component (FAC) linked revision of freight tariff has been proposed to compensate for the fuel cost increase, passenger fares have been raised to cover some of the losses in the passenger segment; tight control over expenditure would be exercised to enable higher internal generation, procurement of rolling stock has been planned during the 12th Plan through IRFC (Indian Railways Finance Corporation); and the targets for raising funds through bonds would be met. The Public Private Partnership (PPP) options are also being actively explored in many areas as spelt out in the 12th Plan Document. As submitted, the actual realisation of internal generation would depend on the growth of the core sectors of the economy. Further, a new Policy notified in December, 2012 is expected to help in generating private investment for rail connectivity projects. The Committee, however, feel that concerted efforts on the part of the Ministry of Railways are warranted so that all measures taken by them meet the desired end.

Reply of the Government

Ministry of railway is making all efforts to push implementation of PPP projects. A new policy to encourage construction of last mile connectivities was issued in December, 2012. In principle approvals have been given for construction of rail connectivities to Dhamra Port, Rewas Port, Dighi port and Jaigarh Port. Doubling of Palanpur – Samakhiali and two coal connectivity projects costing Rs. 2262 crore have also been approved. Encouraging response has also been received to Private Frieght Terminal (PFT) policy and investments for procurement of Rolling Stock. However, some other projects like mElevated Corridor, high Speed Corridor and Station Development are highly capital intensive projects and success depends on economic environment and response of other stakeholders including private sectlor and State Governments, etc.

Recommendation No. 9

The Committee note that the Ministry of Railways had proposed Rs. 7.35 lakh core for the 12^{th} Plan in order to address capacity bottlenecks and investment in modernization and safety so that the Railways are able to provide satisfactory services to the passengers. However, this outlay has been reduced to Rs. 5.19 lakh crore with Gross Budgetary Support (GBS) of Rs. 1.94 lakh crore, internal generation of resources of Rs. 1.05 lakh crore and Extra Budgetary Resources of Rs. 2.20 lakh crore. The Ministry had sought GBS of Rs. 3,16,842 crore for meeting the stipulated 12th Plan targets but the same has been reduced to Rs. 1,94,221 crore. The Committee are perturbed at the drastic reduction in GBS. They are constrained to note that after meeting the requirement of Rs. 80,000/- crore for Dedicated Freight Corridors and National Project commitment of Rs. 30,000/- crore the Ministry will be left with only Rs. 84,221/- crorh is marginally higher that the 11th Plan GBS of Rs. 77,039 crore. Undoubtedly, such drastic reduction in the proposed outlay would result in thinly spreading of funds over various railway projects. The Committee apprehend that such reduction would leads to substantial shortfall in targets for important railway projects.

Reply of the Government

It is a fact that plan size has been reduced drastically. Total projected outlay for New Line (Rs. 35000 Crore), Gauge Conversion (Rs. 6850 Crore) and Doubling (Rs. 20571 Crore) totaling to Rs. 62421 Crore.

Further the annual allocation for 2012-13 & 2013-14 for new line, gauge conversion and doubling is not even proportionate to the projected outlay of 12th Plan. As against proportionate projection of Rs. 12500 Crore for these Plan Heads, outlay of Rs. 9400 Crore & Rs. 9700 Crore has been allotted in 2012-13 & 2013-14. Outlay of 2013-14 has been reduced from Rs. 9700 Crore to Rs. 9100 Crore. This will affect the targets for these crucial infrastructural projects very adversely. With such reduction, the reduced targets than can be achieved in the 12th Plan are as under:-

(i) New Line – 1392 Kms. (against Planning Commission target of 4000 Kms.).

(ii) Gauge Conversion- 2000 Kms.(against Planning Commission target of 5500 Kms.).

(iii) Doubling- 4633 Kms.(as against Planning Commission target of 7653 Kms.).

These targets can be achieved if proportionate annual outlay is provided for these Plan Heads, including the backlog of first two years in the remaining period of 12th Plan.

Comments of the Committee

Please see recommendation at Para No. 11 of Chapter I

Recommendation No.10

The Committee are informed that the reduced plan size would adversely impact the New Lines, Doubling and Gauge Conversion works. With the reduced GBS, 1,392 km of New Lines, including 200 km of National Project, 2,000 km of gauge conversion, including 990 km of National Project, 4,633 km of doubling and 6,500 Km of electrification can be achieved, whereas the Planning Commission has kept the targets of 4,000 km of New Lines, 5,500 Km of gauge conversion and 7653 km of doubling, respectively. Track renewal would also get affected due to reduced Plan size and therefore prioritization of works will be done keeping in mind the condition of track as per availability of funds, for safe train operations. The Committee express their serious concern at downsizing the Plan outlay resulting in downward revision of physical targets which is likely to compromise with the safety of Railways in the times to come, besides causing immense hindrance in the progress of Railways.

Reply of the Government

It has been brought out in reply to the observation in recommendation No. 7 that Planning Commission and Ministry of Finance have drastically downsized the projected GBS at the time of approval of the Plan size. The initial targets fixed for the 12th Plan was based on the projected GBS of Rs. 3,16,842 crores. Ministry of Railways has no role in downsizing of Plan outlay. Accordingly, the projected targets for the 12th Plan for New Line, Gauge Conversion and Doubling projects were scaled down proportionately.

An outlay of Rs. 46,500 crore was projected to carry out track renewal of 19000 Km during 12th Five Year Plan along with execution of renewal of other components of track like Turnouts, Fitting, Bridge Sleepers, Ballast recoupment, Weld Renewals, Formation Treatment etc. An outlay of Rs. 31,160 crore has been given which is 67%

of the demand. As a result, arrears of track renewal will increase. However, due prioritization of works will be done keeping in mind the condition of track, as per the availability of funds, for safe train operations.

Recommendation No.11

The Committee are further informed that the Sam Pitroda and Anil Kakodkar Committees on modernization and safety, respectively have projected total requirement during the 12th Plan at Rs 5,60,000 crore & Rs 1,00,000 crore, respectively; as such, the implementation of their recommendations would also be adversely affected due to shortage of funds. It is imperative that the Planning Commission while fixing ambitious targets for Railway projects should also allocate funds of the required level to execute them. The Committee stress that important railway projects should not be starved of funds and the 12th Plan outlay requires to be suitably stepped up in consonance with the needs of the Ministry.

Reply of the Government

Ministry of Railways had proposed an outlay of Rs.5.48 lakh crore for the 12th Five Year Plan which included GBS of Rs. 3,16,842 crore. However, Planning Commision has approved outlay of Rs. 5.19 lakh crore out of which GBS is only Rs. 1,94,221 crore.

The reduction in plan size particularily the GBS will affect the capacity augmentation, modernization, safety works under various plan heads to be undertaken in the plan period. Moreover, GBS allocation in the first two years of the 12th plan has been only Rs. 26,265 crore (2012-13) and Rs. 28,000 crore (2013-14) which is much lower than the proportionate due allocation Rs. 38,444 crore per year.

Further, the GBS of Rs.1,94,221crore includes Externally Aided Project (EAP) component of JICA and World Bank loan of Rs. 52,000 crore for DFC. Planning Commision has been requested to allocate EAP component of JICA and World Bank loan for the DFC Project over and above the regular GBS so that the GBS for other railway projects is not affected.

Recommendation No. 12

The Committee find that a number of meetings of the Ministry of Railways were held with the Planning Commission with regard to the Plan size of the 12th Five Year Plan; however, no minutes of the meetings were issued. The Committee take a serous note of it and direct that the Ministry of Railways should pursue the matter with the Planning Commission as minutes form an integral part of the process of planning. They would like to be apprised of the progress in this regard.

Reply of the Government

Planning Commission has informed Ministry of Railways that on 07.02.2012 a meeting under the Chairmanship of Member /Planning Commission, was convened to review the progress during the 4th Quarter of the Annual Plan 2011 – 12 and to finalize the Annual Plan 2012 – 13. The Annual Plan 2012 -13 being the First year of the 12th Five Year Plan, it inter alia has also discussed the 12th Five Year Plan programmes of the Ministry of Railways (Reply of Planning Commission is enclosed) .

The financial outlays for the 12th Five Year Plan were finalized in subsequent meeting for which no separate minutes were issued by Planning Commission. However the financial outlays with the source of funding were communicated vide Planning Commission O.M. No. 18/2/2011- Tpt. dated 24.9.2012.

Recommendation No.13

The Committee learn that the 12th Plan emphasizes on achieving a gender equal Railway Transport System, thereby according the highest priority to women‟s safety and security. The Railways would be providing more coaches for ladies and better security for them in trains. Ladies special trains are also being run on the suburban system. Provision of toilets exclusively for ladies and special ladies waiting rooms at stations are also being made. While commending these steps, the Committee would like the Ministry to ensure that these plans are implemented in letter and spirit. Adequate publicity should also be made through print and electronic media regarding such provisions. Foolproof security arrangements should be ensured for the safety of women. There should be clear marking of such coaches, suitable placement of these coaches and proper display of signage regarding stoppages of such coaches at the platforms. The Railways should also ensure that all platforms are well lit during night time.

Reply of the Government

Security of women passengers has been given top priority and all out efforts are being made in coordination with GRP to ensure adequate security to women passengers.

It is pertinent to mention that prevention and detection of crime and maintenance of law and order in trains and station premises is the statutory responsibility of States which they discharge thorough the Government Railway Police (GRP). 50% cost of the GRPs is shared by Ministry of Railways with concerned State Governments. Railway Protection Force (RPF), under the Ministry of Railways, supplements efforts of States for better protection and security of railway property, passengers and passengers area and matters connected therewith.

Railways maintain close coordination with the State Governments to ensure better security to the travelling public including women passengers in long distance trains. Railway Protection Force escorts 1275 important trains daily on an average besides escorting of 2200 trains by Government Railway Police.

Various steps have been initiated by the RPF to ensure security of women passengers which include escorting of trains, deployment of ladies RPF personnel in station premises and coaches reserved for ladies and prosecution of offenders travelling in ladies reserved coaches under relevant sections of the Railways Act.

Adequate lighting arrangements have been provided at platforms/ Railway stations as per norms. The power supply on platforms/ Railway stations under various zones of Indian Railways is obtained from State Electricity Boards (SEBs) and Distribution Companies (DISCOMS). In the event of power supply failure at platforms/

Railway Stations, Railway officials coordinate with State Electricity Boards and DISCOMS authorities for early restoration of power.

During power supply failure, energy load requirement at major platforms/ stations is met from diesel generator sets/ auxiliary transformers fed from electric traction supply.

Recommendation No. 15

The Committee further note that the Railways have sent a proposal to the Prime Minister's Office (PMO) to declare two new line projects of Himachal Pradesh namely Nangal Dam-Talwara and Bhanupalli-Bilaspur-Beri as National Projects. However, the PMO has not agreed so far and has directed to complete the Nangal Dam-Talwara project on priority. Further, CCEA Note has already been sent for Inter-ministerial consultations for sanctioning 4 projects, viz. Bilaspur-Manali-Leh, Jammu-Poonch via Akhnoor, Tanakpur-Bageshwar and Parsuramkund-Rupai new lines, as National projects and the proposals are in the consultation stage. Keeping in mind the imperative to execute these projects on a priority basis, the Committee urge the Ministry to Vigorously pursue the matter and inform them of the progress made in this regard from time to time. The Committee also stress the fact that the requirements of the North Eastern States should be given special attention by the Indian Railways. Therefore, coordinated steps should be taken so that the North East is far better connected with the rest of India in a time bound manner. To achieve this objective, doubling, New Lines, Gauge Conversion, Signaling and electrification in the North East States should be taken up on priority basis.

Reply of the Government

Railways are continuously pursuing Planning Commission and Ministry of Finance to enhance the GBS so that it is not less than the proportionate GBS as per approved Plan size. In addition, Ministry of Railways is also pursuing for providing the funds for the National Projects through a separate head over and above the GBS. The Draft Note for CCEA regading sanctioning of 4 projects, viz. Bilaspur-Manali-Leh, Jammu-Poonch via Akhnoor, Tanakpur-Bageshwar and Parsuramkund-Rupai new lines as National projects have been circulated for inter-ministerial consultation. Ministry of Railways will constantly pursue the matter. As regards Nangal Dam – Talwara and Bhanupalli-Bilaspur-Beri projects, Railways is constantly pursuing the matter and it has also been raised in the Northern Zonal Council of Inter-State Council.

To provide better connectivity of North Eastern region with rest of India, modern Signalling system comprising of Solid State Interlocking, Panel Interlocking, Block proving by Axle Counters, LED signal lampsetc. And OFC systems are provided/ are being provided on North East States of NFR on priority as a part of doubling, New lines and Gauge Conversion.

Jorai-New Bongaigaon-Rangiya-Guwahati falls under the state of Assam in North Eastern Region and is a part of sanctioned Barauni-Katihar-guwahati (including Katihar-Barsoi) electrification project. Electrification work is in progress and planned for completion by October' 2015.

Recommendation No.16

The Committee are deeply concerned to note that the sanctioning of new project annually by the Ministry, Much beyond the resources available, has resulted in increment of the throw-forward of railway infrastructure projects. As on 1 April, 2012 there are throw-forward of 132 new line, 42 gauge conversion, 174 doubling, 39 electrification and 2 dedicated freight corridors projects. In financial terms there is throw-forward of Rs.89,792 crore for new line, Rs.18659 crore for gauge conversion, Rs.38766 crore for doubling, Rs.6,229 crore for electrification and Rs.93,850 crore for dedicated freight corridors project. The Committee fail to understand as to why new projects are announced every year despite such a high level of throw-forward. They feel that these projects are vital towards ensuring the economic growth of the country and recommend that the Ministry should give serious consideration for speedy execution of these projects.

Reply of the Government

Projects are identified based on demands from public representatives, the state government or as a part of some developmental plan / strategic plan. Capital and time intensive infrastructure projects like New Line and Gauge conversion have long gestation period and the public demand always outstrips the ability to fulfill such aspirations. Consequently, for a people friendly mode of transport like the railways, there is a very huge demand. In pursuit of fulfilling public aspirations, a large number of projects have been approved over the years, creating a huge throw forward liability.

To tide over the problem of huge throwforward of project on one hand & limited Gross Budgetary Support on another hand leading to thin spread of funds, besides regularly pursuing with Planning Commission and Ministry of Finance to enhance Gross Budgetary Support, Railway have carried out prioritization of projects to prevent thin spread of funds.

In order to streamline further sanction of new projects discussions are currently in progress with Ministry of Finance and Planning Commission as to how socially desirable and backward connectivity projects are to be sanctioned and funded. In this regard, an Inter-Ministerial Group comprising of representatives from Ministry of Finance, Railways and Planning Commission have been set up to address the issue.

The throw-forward in case of railway Electrification is minimal, and just bare enough to meet the increased target of electrification. Because of the operational, financial and environmental benefits, which is achieved as a result of electrification, it is a continuing endeavour of Ministry of Railways to increase the pace of electrification. In 11th Five Year Plan, the initial target of 3500RKMs of electrification has been further increased to 6500 RKMs i.e. 44% increase over and above the revised target of 11th Five Year Plan. For meeting this enhanced target, the physical throw-forward of 6718 RKMs and fincancial throw-forward of Rs.7311 crores as on 01.04.2013 is bare minimum. As far as the speedy execution of electrification projects is concerned, various steps have been taken up which include award of turn-key contracts, cultivation of new agencies for works and better project monitoring mechanism etc. in construction.

Recommendation No. 19

The Committee are informed that on the suggestion of the Planning Commission and Ministry of Finance, Railways have firmed up priority list of ongoing projects in which National Projects and cost sharing project have been given the highest priority and categorized as A-1 and A-2. Category A-3 are high priority projects from the Railways' point of view, Category B are other projects and category C are projects where no progress has been made so far. Priority of project has been given due consideration while fixing allocation of funds during 2013-14. The aim behind this categorization is stated to be identification of important projects having potential to increase throughput and revenue earnings, to avoid thin spread of resources thereby ensuring timely completion of works. The Committee are of the opinion that this is an area which requires the Ministry's serious consideration. The Committee find some satisfaction that of late the Ministry have analyzed its weaknesses and remedial steps are being taken so that long awaited projects can be completed at the earliest and put to the services of the nation.

Reply of the Government

Suggestions of the Committee have been Noted.

Recommendation No.20

The Committee note that the Ministry of Railways have been getting lesser allocation of funds every year for their projects. During 2011-12, 2012-13 and 2013-14, they proposed allocations of Rs.41,686 crore, Rs.48,855 crore and Rs.39,500 crore respectively. However, the actual allocation was Rs.21,824 crore, Rs.26,317 crore and Rs.27,102 crore respectively. They further note that in view of the lower allocation of funds the Ministry have prioritized the projects which are actually required from the point of view of capacity generation and de-bottlenecking' of the railway system and for those projects they are trying to allocate funds so that at least they are completed. The Committee earnestly desire that the Ministry should set up an effecting monitoring mechanism to ensure that not only the high priority projects but other projects also are completed in time.

Reply of the Government

Suggestions of the Committee have been Noted.

Recommendation No.21

The Committee are surprised to find that progress of the projects which are pending for a long period of time also depends on factors like forest clearance, land acquisition, law and other problems, etc. The Committee do not approve the often repeated reasons as stated above for slow progress in case of projects pending for years. Therefore, the Committee recommend that the Ministry should earnestly review its performance and identify the factors responsible for non-performance. Accordingly, immediate corrective measures should be taken in a time bound manner.

Reply of the Government

Besides constraints of fund, Projects also get delayed due to delay in land acquisition, forestry and other clearances, poor law and order situations and failure of contracts. Land acquisition for most of the projects is done by State Govts. on behalf of Railways. Regular meetings/correspondences are held with State Govts. for expeditious acquisition of land. In order to reduce dependency on State Govts. for acquisition of land, acquisition for projects is also now been done through Railway (Amendment) Act, 2008 wherein Railway Officials have been made incharge of complete land acquisition process by way of declaring some of the projects as “Special Railway Projects”. To expedite forestry clearances, regular meetings are being held at appropriate level and Railway case is adequately represented for each forest clearances. Law & order is a state subject and wherever environment is not conducive for execution of projects, State Govt./MHA are requested to provide adequate security at project sites. In some of the projects such as Lumding-Silchar gauge conversion, dedicated battalions of territorial army have been created chargeable to project for ensuring adequate security at work site. Coordination meetings are being held regularly with the State Governments, Ministries of Forest and Environment, Home etc. to find early solution to the issues related with them.

Railway has been constantly examining the impediments in project execution and steps are being taken to eliminate/minimize the same for improving deliverance of the projects. Empowerment of field units has been taken up for effective decision making at appropriate level. Further, with enhanced powers, Railways have been able to plan and execute works through bigger value contracts attracting bigger and more professional firms.

Recommendation No.22

The Committee observe that there are 151 projects having throw-forward which are kept in “A” category, i.e on high priority list. An allocation of Rs. 3,474 crore has been made for 170 “B” category, i.e. Medium Priority New Line, Gauge Conversion, Doubling and electrification projects for the year 2013-14 and allocation of Rs. 730 crore has been made for 62 projects for “C” category i.e. Low Priority ones. Rest of the projects are given funds as per availability and their progress will depend upon funds allocated. The Committee note to their satisfaction that the Ministry have taken a few measures recently in order to give a boost to internal generation, viz. recent hike in freight rates, increase in rail fares and introduction of fuel adjustment component. Besides, Railways is going for Market Borrowings to the tune of Rs.15,000 crore in 2013-14 and expect mobilization of Rs.6,000 crore through PPP.

The requisite policy has already been floated to attract private capital for rail infrastructure. However, it will be appreciated if more funds are made available and maximum numbers of projects are completed in the targeted time. The Planning Commission should be prevailed upon for higher GBS by taking up the matter at the highest level keeping in view numerous railway projects having throw-forward.

Reply of the Government

The Committee has expressed satisfaction on the prioritisation of projects carried out by the Railways, but has also urged that Railways should take up the matter of higher GBS allocation with the Planning Commission. It may be mentioned that the issue of allocation of higher GBS was taken up during the meeting on Monitorable Targets held in Planning Commission on 11.04.2013. The matter will be taken up with again in the next meeting and the Annual Plan proposal for 2014-15.

Recommendation No.23

The Committee learnt that as per the new policy for starting a new Rail project with State Government's assistance, all the projects should be approved by the Planning Commission. The Planning Commission has now legislated that the State Government concerned should give land free of cost and also share 50 per cent of the cost of the project. The Committee agree that with land free of cost and sharing of cost, rate of return of projects improves and projects become more viable and the possibility of sanction improves. However, they are concerned over the fate of those projects which are pending since long and also for the States in poor financial condition which are not in a position to provide land free of cost or share 50 per cent of the cost. Hence, the Committee desires the Ministry to review the norms in this regard in consultation with the Planning Commission so that the financial health of the State is also taken into account while taking a decision in this regard.

Reply of the Government

In order to streamline further sanction of new projects, discussions are currently in progress with Ministry of Finance and Planning Commission as to how socially desirable and backward area connectivity projects are to be sanctioned and funded. In this regard, an Inter-Ministerial Group comprising of representatives from Ministry of Finance, Railways and Planning Commission has been set up to address the issue.

Recommendation No.24

The Committee observe that as on date, the investments in Railways through PPP have been extremely small. Private investment mobilisation in the 11th Plan is likely to be to the tune of 4 percent of the Plan Outlay, which is far less if compared to the Private Capital share in other sectors like Ports-80 percent, telecom 82 percent, Electricity 44 percent, Airports 64 percent and Roads 16 percent. The Planning Commission in its review have observed that investment in Railways can be stepped up with the help of PPP. The Committee share their view that projects related to rolling stock manufacturing units, multifunctional complexes, logistics parks, private freight terminals, freight train operators, liberalised wagons investment schemes, Dedicated Freight Corridors and also New Railway Lines which are in the pipeline and need to be speedily executed in the 12th Plan offer excellent opportunities for private investment. The Ministry of Railways have admitted that given the limited resources and large competing demands for capacity augmentation, connectivity, improved services, etc. Indian Railways would need to mobilise more resources from the private sector. The Committee recommend that the Ministry should pay focused attention in this direction so that adequate resources are generated by the Ministry for its on-going and also future projects. However, the Committee would like to caution that the capacity of existing Production Units should also be fully exploited before considering the PPP model.

Reply of the Government

A number of initiatives has been taken by Ministry of Railways for private sector participation in locomotive and coach manufacturing facilities of Indian Railways through Joint Venture (JV)/ Public Private Partnership (PPP) route. The important projects are:

(i) Setting up of Greenfield Electric Locomotive Manufacturing factory at Madhepura in Bihar as Joint Venture with partner selected through International Competitive Bidding.

(ii) Setting up Rail Coach Factory at kanchrapara in West Bengal as Joint Venture with partner selected through International Competitive Bidding.

(iii) Setting up of Mainline Electrical Multiple Units (MEMUs) manufacturing factory by Bharat Heavy Electricals Limited (BHEL) for Indian Railways as PPP mode, at Bhilwara, Rajasthan.

The targeted production and the assured off-take quantity in respect of each of the above projects has been decided after careful consideration of the production and capacity utilization of Indian Railway's departmental production units.

Recommendation No.25

The Committee learn that the Ministry of Railways have recently announced a new policy to encourage private participation in building rail connectivity and capacity augmentation, in supersession of the earlier R3i and R2Ci policies. The new policy offers 5 models for private participation – (i) Non-Government Private Line model, (ii) Joint Venture Model, (iii) Build Own & Transfer model, (iv) Capacity Augmentation through funding by Customer and (v) Capacity Augmentation through competitive bidding and annuity. Investments for port and large mines connectivity is expected during the 12th Plan period. With the new policies on Private Freight Terminals (PFT), Automobile Freight Train Operator Scheme (AFTO) and Special Wagon Leasing Scheme, private investment particularly by stakeholders is proposed to be garnered. Also for development of stations through PPP, the Indian Railway Station

Development Corporation Limited (IRDC) has been set up. The Committee trust that with the new policies in place, the Ministry of Railways would optimally achieve the target of Rs. One lakh crore to attract investments through PPP during the 12th Plan.

Reply of the Government

Railways encourage private investments in building rail infrastructure. A new policy for building and strengthening rail connectivity and capacity augmentation has recently been announced. Some of the other areas where railways encourage private investments are development of Private Frieght Terminals, Procurement and leasing of Wagons, operations of container trains, redevelopment of stations, Loco & Coach manufacturing units, etc. Railways have implemented/ are in process of implementation seven projects through Joint Venture route and connectivity to Mundra Port has been commisiioned through pure private funding.

Ministry of Railways is making its efforts to achieve the target, however, PPP project implementation depends on economic environment and support of other stake holders including private sector and State Governments, etc.

Recommendation No.26

The Committee note with concern that the Railways have not achieved the target for revenue receipt during 2012-13. BE of Rs 1,35,693.89 crore has been revised downward to Rs 1,28,202.23 crore at RE stage. Therefore, there is an expected shortfall of Rs 7,491.66 crore. The Committee thus find that the Ministry is lagging behind the targets for revenue receipt which clearly indicate that either unrealistic projections were made in this regard or the Ministry have not made concerted efforts to actualize the accruals during the financial year. The various factors, as stated by the Ministry being responsible for the expected decline in net revenue are downward revision of earnings targets in passenger and goods segment by Rs 6,867 crore partly due to roll back of passenger fare increase and in keeping with the trend of loading and earnings to end of December 2012. Besides, a likely increase in the pension expenditure by Rs 1,500 crore is also stated to be a contributory factor. The

Committee desire that the factors already identified and anticipated for the decrease in revenue receipt should be looked into with all seriousness and remedial measures should be taken to contain the shortfall.

Reply of the Government

The factors largely responsible for shortfall in total receipts in RE 2012-13 vis-à-vis BE are (i) partial roll back of passenger fare rationalization proposed in Railway Budget 2012-13, (ii) lesser growth in originating passengers than projected, (iii) drop in projected loading and fall in lead and (iv) lesser subsidy from General Revenues than anticipated at BE stage. As a remedial measure, while passenger fare has been rationalized w.e.f. 22.01.2013, it has not been possible to contain the shortfall. The Committee would appreciate that as a measure of financial prudence, Ministry has regulated expenditure dynamically linking it with the prevailing resource position. Various measures have been initiated by the Ministry in 2013-14 to improve the resource position including rationalization of fare and freight structure, introduction of Fuel Adjustment Component to neutralize the increase in fuel cost, higher targets of mobilization through Extra Budgetary route as well as scrap sales. The Government is also being regularly requested to increase the Gross Budgetary Support to sustain higher plan size for the railways.

Recommendation No.27

The Committee note that the Ministry have kept a comparatively lower target for net revenue of Rs 19,396.00 crore during 2013-14 as compared to the BE of Rs 22,233.07 crore during 2012-13. The Committee suggest that the Ministry should closely monitor the revenue receipt on a monthly basis in order to ensure optimal achievement of targets fixed at the BE stage during the financial year 2013-14.

Reply of the Government

The net revenue target of Rs. 22,233 cr kept in BE 2012-13 was revised downwards to Rs. 15,749 cr (i.e. by Rs. 6,484 cr) in RE 2012-13 due to likely lower achievement of earnings. Since BE 2013-14 has been formulated based on the RE 2012-13, all the targets envisaged therein including the net revenue needs to be compared with RE 2012-13 instead of BE 2012-13. However, suggestions of the Committee have been noted and progress of traffic earnings in 2013-14 is closely being monitored regularly.

Recommendation No.28

The Committee note the targeted annual expenditure of Rs 1,13,460.82 crore is likely to decline by Rs 1,007.5 crore to Rs 1,12,453.32 crore at RE. While this is commendable, they fail to appreciate that BE for total expenditure during 2013-14 has been kept at Rs 1,27,230.00 crore which is an increase of Rs 13,769.18 crore as compared to BE of Rs 1,13,460.82 crore during 2012-13. The reasons cited by the Ministry for the proposed increase are that the revenue expenditure comprises Ordinary Working Expenses, appropriation to both Pension Fund and Depreciation Reserve Fund and miscellaneous expenditure. This has been increased during 2013-14 representing a growth of around 12 percent. The Committee are not convinced by the reasons cited by the Ministry that the increase has been provided primarily to cater to higher salaries, DA and other staff cost, fuel for traction, material procurement, contractual payments, lease payments, higher pension and safety related expenditure. In their view, all these expenditures are being confronted by the Ministry each and every year. The Committee, therefore expect the Ministry to monitor the expenditure being incurred under different heads and exercise control over the total expenditure to the extent possible.

Reply of the Government

The Total Expenditure of Rs. 127,230 crore projected in BE 2013-14, which is 13.1% higher over the corresponding figure in RE 2012-13, provides for reasonable increase in each segment of expenditure taking into account filling up of vacancies, annual increments in salaries, additional sanction of DA, hike in fuel cost, increase in cost of materials and contractual payments etc due to inflation and activity increase, higher lease payments, higher pension etc. However, the progress of expenditure is closely being monitored regularly and lower authorisation for expenditure have been issued to the zonal railways.

Recommendation No.29

The Committee observe that the Ministry of Railways have proposed a plan investment of Rs. 63,363 crore for 2013-14 to be financed through GBS of Rs. 26,000 crore, Railways share of Road Safety Fund of Rs. 2,000 crore, internal resources of Rs. 14,260 crore, market borrowings of Rs. 15,103 crore and an expected mobilization of Rs. 6,000 crore through PPP route. The thrust of the Plan is on doubling of tracks, safety and passenger and staff welfare for which outlay has been increased from about Rs. 11,409 crore in 2012-13 to Rs. 13,233 crore in 2013-14, an increase of 16 percent. The Committee further note that an allocation of Rs. 60,100 crore was made during 2012-13, which was, however, reduced to Rs. 52,265 crore at RE stage. The Committee hope that that timely steps would be taken by the Ministry to remove the bottlenecks to ensure optimum utilization of funds during 2013-14 so that benefits reach the nation in the given time frame.

Reply of the Government

The observations of the Hob'ble Committee have been noted. Railways are sensitive to the need for monitoring Plan progress against Plan outlays to ensure optimum utilisation of available funds. In addition to several measures initiated to augment internal resources through rationalisation of fare and freight rate structure and introduction of Fuel Adjustment Component etc., the Plan investment has also been rinig-fenced for several identified priority projects including the last mile ones to reap benefits on their early completion. Railways are committed to ensuring optimum utilisation of funds available.

Recommendation No.30

The Committee further note that during 2012-13, the major area of shortfall had been on account of the internal generation of resources, where against the target of Rs 18,050 crore, the Ministry could generate only Rs 9,950 crore. Hence, there is a shortfall of Rs 8,100 crore which comes to 45 percent. The reasons for this huge shortfall are stated to be likely reduction in earnings by Rs 6,867 crore consequent upon roll back of fare rationalization (Rs 4,200 crore) proposed in Railway Budget 2012-13, reduction in the targeted originating passengers from 8,741 Million in BE to 8,640 Million in RE and freight loading from 1,025 MT in BE to 1,007 MT in BE and also likely increase in pension expenditure by Rs 1,500 crore. The recurrence of the shortfalls in targets of originating passengers and freight loading have become regular areas of Ministry's non-performance. Once factors responsible for the decrease in targeted originating passengers and freight loading are known, there is no reason for the Ministry not to explore other possibilities of venturing into new areas of operations. Therefore, the Committee desire the Ministry to make concerted efforts so that the financial health of the Ministry could be improved.

Reply of the Government

The Committee would appreciate that the Budget Estimates are, by their very nature, based on the current trends. It is difficult to estimate all post-budgetary factors that would influence the financial performance of the railways. However, several new long term initiatives to restore the financial health of the Indian Railways have been taken in 2013-14 that include introduction of Fuel Adjustment Component to neutralize increase in cost of fuel and setting up of Debt Service Fund to enable successful discharging of future committed liabilities. Greater focus for mobilizing resources through Extra Budgetary route is being laid and higher targets have been fixed for Rail Land Development Authority as well as Station Development Authority for 2013-14.

Recommendation No.35

The Committee are disheartened to observe that a still lower target to complete only 500 km of new lines has been fixed during 2013-14. The reason advanced by the Ministry for the same is that there is inadequate availability of funds and huge investment is required for National Projects. As informed, for 156 new line projects as on 01.04.2013, the Ministry have been allocated only Rs.4,600 crore, out of which Rs.2,200 crore have been allocated for the National Projects. With the meager allocation of funds for new line projects, the Committee can easily visualize the fate of the New Line projects which are of great significance in the Railway system. The Committee, therefore, urge the Ministry of Railways to project their demands of required funds in a more convincing manner before the Planning Commission and Ministry of Finance at the highest level so that their important schemes are not starved of funds and get adequate allocations at RE state.

Reply of the Government

Ministry of Railways has been and will constantly strive to convince Ministry of Finance and Planning Commission to enhance the Gross Budgetary Support for Railway infrastructure projects.

Recommendation No.36

The Committee are glad to note that the Ministry have been able to complete the gargets fixed for doubling during 2012-13. Against the target of 700 route km for doubling, the likely achievement is 705 route km. As informed, focus was on completion of doubling and priority was given to projects which are in advanced stages and can be completed with lesser investment. The Committee hope that this trend would continue uninterrupted in future years also.

Reply of the Government

Recommendation of the Committee has been noted.

Recommendation No.37

The Committee are concerned to note that against the target of 800 km for gauge conversion, the likely achievement is only 575 km. As stated, although financial allocation of gauge conversion has been enhanced from Rs. 2,270 crore to Rs. 2,647 crore, targets had to be reduced mainly due to the fact that substantial outlay of Rs. 940 crore was provided for the strategic National Project of Rangia-Murkongselek and Lumding-Silchar but only 154 km section is getting completed. Similarly, during 2013-14, total outlay of Rs. 2,125 crore to complete 450 km of gauge conversion includes Rs. 800 crore for two National Projects. Both the National Projects of the North Eastern Region are capital intensive but only 173 km section is getting completed in 2013-14. The Committee apprehend that lower targets for new lines as well as gauge conversion during 2013-14 would seriously affect the adding capacity of the railway system. The Committee find that no lesson has been learnt from the failure to achieve the targets in the past due to shortage of funds. The Committee hope that additional funds through GBS would be provided at RE stage so that important schemes of Railways like new line and gauge conversion do not suffer due to resource crunch.

Reply of the Government

The possibility of additional funds for the projects of new lines and gauge conversion at Revised Estimates stage would be governed by corresponding savings within the Grant by way of under utilisation of funds, if any, in projects of doubling, workshops, dedicated freight corridor, metropolitan transport projects and others. The Budgetary Support extended by the Government for 2013-14 is fixed at Rs. 26,000 crore in Budget Estimates. More than reappropriation, additional allocations by the Government during the year will help in enhancing the outlays for these planheads at Revised Estimates stage.

Recommendation No.40

The Committee note that during 2012-13, against the target of 630 locos, 3,816 coaches and 16,894 wagons, the expected achievement is 630, 4,000 and 16,000 respectively. The Committee are happy to note that in respect of coaches, the .achievement has exceeded the target as against the target of 3816, 4000 coaches have been produced. Further, during 2013-14, the targets of 680 locos, 16,000 wagons and 4,130 coaches have been fixed. However, the Committee apprehend that with the present pace, the 12th Plan targets for rolling stock will not be achieved. Therefore, the Ministry should strive to keep higher targets every year in view of the quantum need of the rolling stock in Railways.

Reply of the Government

The production targets would be increased every year during the 12th Five Year Plan, subject to availability of funds.

Recommendation No.41

The Committee have been apprised about the steps being taken to enhance the production of coaches to meet the requirement of coaches: Production capacity of Integral Coach Factory (ICF) is being augmented from 1,500 coaches to 1,700 coaches per annum, a new Rail Coach Factory at Rae- Bareli has started production of coaches, Diesel Multiple Unit (DMU) coach factory at Haldia is also in the final stages of turning out coaches. Also newly sanctioned coach factories such as Kanchrapara and Palakkad, are in different stages of implementation and some greenfield factories have been announced at Kolar, Kutch, Sonepat and Bhilwara. Besides, capacity augmentation of existing units is also under consideration. The

Committee hope that with all the above steps being taken by the Ministry of Railways' requirements of coaches would be met adequately.

Reply of the Government

All efforts are being made by the Ministry of Railways to ensure that the requirement of coaches in the future is adequately met.

Recommendation No. 43

The Committee are informed that 238 ROBs and 1,843 RUBs have been sanctioned in Railway Works Programme 2013-14 on cost sharing basis/Railway cost. They note with some satisfaction that the Ministry of Railways have been taking certain measures to resolve the various interface issues with different stake holders like joint survey with all concerned including State Governments to finalise the tentative General Arrangement Drawing (GAD), circulation of check list and guidelines for preparation of GAD to State Governments to avoid any back reference from Railway to State Governments, standardization of drawings for various spans to avoid delay in designing, nomination of nodal officer for single window clearance of GAD from Railway side, use of pre-cast/pre-fabricated components of the bridge and engaging single agency for construction of Railway Bridge as well as the approaches. The Committee hope that the Ministry would continue to strive to further take innovative measures and optimally achieve the target fixed for ROBs/RUBs during 2013-14.

Reply of the Government

Noted, Ministry of Railways will try its best to expedite the various approvals for these works from State Govt./ other statuary agencies.

Recommendation No. 44

The Committee note that the total requirement of funds for road safety works is Rs. 36,830 crore. Further, the average annual accrual in Road Safety funds is Rs. 1,050 crore. They are deeply concerned to note that with the existing level of allocation of about Rs.1,050 crore per annum, the expected completion period of works would be about 34 years. As informed, the Ministry of Railways is approaching the Ministry of Finance for additional allotment of funds from the Central Road Fund to execute the sanctioned work. The Committee earnestly desire that in case no favourable response is received within a reasonable period, the Ministry should pursue the matter vigorously. The Committee are hopeful that the Ministry of Finance will respond positively in this regard. Safety is a necessary mandate for running of trains; hence, it should not be compromised under any circumstances. The Committee would also like to be informed of the progress in the matter.

Reply of the Government

MOR vide their letter dated 13.02.2013 has approached Ministry of Finance (MOF) to enhance the share of MOR from Central Road Fund (CRF) from existing Rs. 1,100 crores to 5,000 crores for next seven years. But, the response from MOF is still awaited.

In the mean time Ministry of Railway has moved a Cabinet Note in the month of Feb'2013 seeking approval of the Cabinet Committee on economic Affairs for enhancement of Cess on diesel and petrol each by Rs. 0.20 per litre to take it to Rs.2020 per litre as against the existing Rs.2.00 per litre and its distribution to Ministry of railways as an additionality over the distribution being done as per the existing formula for providing requisite funds to Ministry of Railways for undertaking works for time-bound elimination of level crossings. However, the PMO has asked MOR to withdraw the Cabinet Note.

Comments of the Committee

Please see recommendation at Para No. 23 of Chapter I

Recommendation No. 47

The Committee note that the Hon‟ble Minister of Railways during his budget speech made the commitment in Parliament with regard to elimination of 10,797 level crossings during the 12th Plan and not adding any new LC to the IR system henceforth. The Committee can understand that elimination of all about 10,797 level crossings would certainly be a gigantic task and would involve lot of manpower, resources and budgetary support. However, the Committee hope that the Ministry would strive to work towards zero accident situation and take vigorous and urgent action to realise the target as committed.

Reply of the Government

Noted.

Recommendation No.50

The Committee noted that during 2012-13, Rs.1,101.95 crore were allocated under Plan Head 'Passenger Amenities'; however the same was reduced to Rs.967.56 crore at RE stage. Further, against the targets of 60 Model Stations, 36 Modern Stations, 296 Adarsh Stations and 35 Multi Functional Complexes, the achievement was 40 Model Stations, 17 Modern Stations, 253 Adarsh Stations and 17 Multi Functional Complexes in which construction work completed. An allocation of Rs.1,200 crore has been made during 2013-14 to upgrade passenger amenities including provision of lifts, escalators, and development of stations under various schemes such as Model, Modern and Adarsh station scheme. As informed, the guidelines for Adarsh station are under revision and the targets shall be determined after finalization and approval of guidelines by the Railway Board. The Committee hopes that the Ministry would make concerted efforts to fulfill the physical as well financial targets fixed under Plan Head 'Passenger Amenities'. They would further like to be furnished with the revised guidelines and also the targets fixed in respect of Adarsh Stations as these are finalised.

Reply of the Government

Allocation and Expenditure for 2012-13 under Plan Head 'Passenger Amenities' are as under:

Year	Budget Estimate	Revised Budget Grant	Revised Estimate (RE)	Expenditure during 2012-13
2012-13	Rs. 1101.95 cr	Rs. 828.40 cr.	Rs. 967.56 cr	Rs. 842.14 cr

Full funds could not be utilized due to uncertainties about the availability of funds. Before Revised Estimate (RE) (made in Jan'13), the Revised Budget Grant (RBG) was Rs. 828.40 cr. Zonal Railways planned as per Revised Budget Grant and executed the works accordingly. Regulation of allotment of funds has impacted the progress of work.

The achievements in respect of each of the projects are as under:

S.No.	Name of Developmental scheme	Targets for completion during 2012-13	Achievements during 2012-13
1	Model station	62*	48
2	Modern station	36	17
3	Adarsh station	296	279
4	World class stations	0	0
5	Multi Functional complexes (MFCs)	35	17**

* Four stations have been dropped.

**Construction work completed.

The targets fixed during 2013-14 are as under:

S.No.	Name of Developmental scheme	Targets for completion during 2013-14
1	Model station	10*

2	Modern station	19*
3	Adarsh station	**
4	World class stations	Nil
5	Multi Functional complexes (MFCs)	16#

* Spill over stations of 2012-13. With this, all stations under these two schemes will be completed.

** Targets shall be fixed after approval of revised guidelines on 'Adarsh' stations by Board, which are under process.

The targets are for construction of MFC buildings.

Stations development under these schemes is a continuous process, subject to availability of funds. Zonal Railways are being asked to make all out efforts to achieve the targets. Funds allocatio of Rs.1200 Cr during 2013-14 are likely to be utilized fully.

Existing guidelines on Adarsh stations has been reviewed in the light of passengers need and expectations in order to shift the focus of Adarsh stations to utility, comfort and cleanliness. Accordingly, revised guidelines for development of Adarsh stations have been issued on 13.08.2013.

CHAPTER-III

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

Recommendation No.5

The Committee are not convinced by the reason adduced by the Ministry for shortfall in Extra Budgetary Resources(EBS) during the 11th Plan in terms of non-realisation of Public Private Partnership(PPP). The Committee note with disappointment the manner in which the Ministry have failed to realise the targets for PPP year after year. The Committee recommend that the Ministry should take concrete steps to ensure that the achievements in respect of PPP projects do not lag behind the targets by making the projects viable.

Reply of the Government

Ministry of Railways is making all efforts to push implementation of PPP Projects. A new policy to encourage construction of last mile connectivities was issued in December,2012. In principle approvals have been given for construction of rail connectivities to Dhamra Port, Rewas Port, Dighi Port and Jaigarh Port. Doubling of Palanpur – Samakhiali and two coal connectivity projects costing Rs. 2262 crore have also been approved. Encouraging response has also been received to Private Frieght Terminal (PFT) policy and investments for procurement of Rolling Stock. However, some other projects like mElevated Corridor, high Speed Corridor and Station Development are highly capital intensive projects and success depends on economic environment and response of other stakeholders including private sectlor and State Governments, etc.

Recommendation No.6

The Committee are happy to note that the Ministry have been able to achieve the original targets in respect of New lines, Electrification and Wagons during the 11th Plan. Against the original targets of 2,000 km of New Lines, 3500 km of Electrification and 62,000 Wagons, the achievement was 2,207 km, 4,556 km and 63481, respectively. At the same time, they are constrained to observe that the Ministry could not achieve the original targets in respect of projects for gauge conversion, doubling, production of coaches and locos. Further, it is a matter of concern that in respect of Gauge Conversion and Coach production, even the lower targets fixed at Mid Term Review of the 11th Plan could not be achieved. Against the original and revised target of 10,000 km and 6000 km of gauge conversion, respectively, the achievement was 5,321 km. Similarly, against the original and revised target of 22,500 and 19,638, only 17,085 coaches could be produced. The reasons for poor performance and shortfall in case of gauge conversion projects is stated to be shifting of emphasis on to New Line and Doubling projects to provide rail connectivity to remote areas and to decongest the system through doubling; this is not at all convincing as gauge conversion projects can by no means be considered of less importance in view of capacity addition on the railway system. Further, the reasons cited for shortfall in coach production like less acquisition from sources other than production units of Railways and capacity constraints in some of the production units are not acceptable to the Committee. The reduced production of coaches should be a matter of serious concern which requires to be looked into. The Committee, therefore, earnestly desire that with a view to meeting the increasing demand of coaches, suitable corrective measures should be taken without any further delay.

Reply of the Government

With a view to meet the increasing demand of coaches, a number of measures as detailed below have been initiated:

(a) The Production capacity of ICF is being augmented from 1500 coaches to 1700 coaches per annum to enhance the production of coaches in view of increased demand.

(b) A new Rail Coach Factory at Rae-Bareli has started production of coaches.

(c) DMU coach factory at Haldia is also in the final stages of turning out coaches.

(d) Newly sanctioned coach factories such as Kanchrapara and Palakkad, are in different stages of implementation.

(e) To further meet the increasing coach requirements, some greenfield factories have been announced at Kolar, Kutch,Sonepat and Bhilwara.

(f) Further capacity augmentation of existing units is also under consideration.

(g) In addition to the above, procuring coaches from Public and Private Sectors firms is also being processed.

As regards downward revision of targets of gauge conversion it is a fact that Gauge Conversion by no means are of less importance but given the precarious financial situation of Railway, emphasis is being given to Doubling as relatively it is more important from capacity enhancement point of view. Similarly New Line, mainly National and Cost Sharing projects, to provide connectivity to remote areas are also accorded high priority. The left over Gauge Conversion projects are of the routes which are either highly unremunerative and do not provide alternate route except few such as Gauge Conversion of Rangia-Murkongselek which has been declared as National Projects. As and when financial situation of Railway improves and Gross Budgetary Support is enhanced, Gauge Conversion projects will be accorded higher priority.

As regards downward revision of targets of gauge conversion it is a fact that Gauge Conversion by no means are of less importance but given the precarious financial situation of Railway, emphasis is being given to Doubling as relatively it is more important from cPcity enhancement point of view. Similarly New Line, mainly

National and Cost Sharing projects, to provide connectivity to remote areas are also accorded high priority. The left over Gauge Conversion projects are of the routes which are either highly unremunerative and do not provide alternate route except few such as National Projects. As and when financial situation of Railway improves and Gross Budgetary Support is enhanced, Gauge conversion projects will be accorded high priority.

Recommendation No.18

The Committee are deeply concerned to note that the Railways have got a large shelf of sanctioned projects and the throw-forward for New Line, Gauge Conversion and Doubling projects is Rs.1.47 lakh crore. Most of the projects under these Plan-heads are allocated funds from Gross Budgetary Support(GBS) that is given by the Central Government as internal generation which is inadequate to meet the demand. World over, Railways are supported by the Governments because it is a very capital intensive industry which requires massive infrastructure and yields low return on Investment. The Committee desire that Government should also make sufficient budgetary allocations for railways projects which are capital intensive specially keeping in view the large shelf of railway throw-forward projects which may loose their importance with the passage of time. The matter of insufficient allocations of funds for years together should be looked into with all the seriousness it deserves.

Reply of the Government

Railways are in continuous interaction with Planning Commission regarding Five Year Plan Outlay demarcated for Railways and also the quantum of Gross Budgetary Support (GBS) for funding New Lines, Gauge Conversion and Doubling works as Railways' internal generation is inadequate to fund the capital intensive projects. Besides this, the projects have been prioritized and the funds are being allocated to priority projects to avoid thin spread of funds. Further, discussions are currently in progress with the Planning Commission as to how socially desirable and backward connectivity projects are to be sanctioned and funded.

Recommendation No. 31

The Committee are constrained to note that against the 12th Five Year Plan targets, the likely achievements in the first year of the Plan is not up to the mark. In terms of percentage, for New Lines, the achievement is 11.75 percent, for Gauge Conversion 10.5 percent, for doubling 9.1 percent, for electrification 18.5 percent, for diesel locomotive 16.4 percent, for electric locomotive 15.0 percent, and for coaches 16.7 percent. The underachievements are stated to be due to paucity of funds in undertaking infrastructure creation works besides slow progress due to delay in land availability, forestry clearances and contract failures. The Committee, while expressing their concern over the unsatisfactory performance during 2012-13 would recommend the Ministry to take immediate concrete measures to avoid procedural delays so that targets fixed for 2013-14 are fully achieved. The matter for allocation of insufficient fund may also be taken up at the RE stage.

Reply of the Government

The achievement of targets of works would depend on sufficient availability of funds. Planning Commission has reduced the outlay of 12th plan proposed by Ministry of Railways by Rs.5.48 lakh crore to Rs.5.19 lakh crore and GBS has been reduced from Rs. 3,16,842 crore to Rs. 1,94,221 crore. In the first two year of the 12th plan GBS allocation has been only Rs. 26,565 crore (2012-13) and Rs. 28,000 crore (2013-14) which is less than the proportionate due allocation of Rs. 38,444 crore per year. The curtailed GBS will affect execution of projects and works under different plan heads.

The following targets were set in 2013-14 for Network Augmentation and Electrification : -

(i) New Lines – 500 Kms, (ii) Doubling – 750 Kms, (iii) Gauge Conversion – 450 Kms and Electrification- 1300 Kms.

However, these targets have been further scaled down to (i) 450 Kms. New Lines, (ii) 375 Kms. Gauge Conversion and (iii) 700 Kms. Doubling in view of proposed cut/reserve of Rs. 700 crore from these Plan Heads. Targets for Railway Electrification stands at 1300 Kms. For 2013-14.

The physical targets set in 2013-14 for rolling stock are as under:-

(i) Locomotives – 680, (ii) Coaches – 4085.

A number of steps have been taken by Ministry of Railways to augment coaches/ diesel/ locos/ electric locos production in the coming years as detailed below:-

<u>Coaches</u>

(i) The production capacity of ICF is being augmented from 1500 coaches to 1700 coaches per anum to enhance the production of coaches in view of increased demand.

(ii) A new Rail Coach Factory at Rai-Bareli has started production of coaches.

(iii) DMU Coach factory at Haldia is also in the final stages of turning out coaches.

(iv) Newly sanctioned coach factories such as Kanchrapara and Palakkad, are in different stages of implementation.

(v) To further meet the increasing coach requirements, some Greenfield factories have been announced at Kolar, Kutch, Sonepat and Bilwara.

(vi) Further capacity augmentation of existing units is also under consideration.

(vii) In addition to the above, procuring coaches from public and private sector firms is also being processed.

<u>Diesel locomotives</u>

(i) The new loco production capacity at DLW is being ramped up.

(ii) The production outturn from DMW is also likely to increase in the coming years.

(iii) A New Diesel Loco manufacturing facility at Marhaura is also under development.

<u>Electric Locomotives</u>

(i) Ancillary unit of CLW is being developed at Dankuni for assembly of 100 locos per annum.

(ii) Capacity of CLW is being augmented.

(iii) Locomotives are being procured from BHEL.

(iv) A new Electric Loco Manufacturing facility at Madhepura is also under development.

Recommendation No.32

The Committee note with satisfaction that the Ministry have taken certain steps in order to realize the target in respect of Internal resources of Rs 14,260 crore in 2013-14 and of Rs 1,05,000 crore in the 12th Plan. There is an incremental growth of 5.2 percent in passenger traffic and 3.9 percent in goods traffic, respectively over RE 2012-13, revision in the passenger fares w.e.f. 22.01.2013, the full year effect of about Rs 6,600 crore of which will flow to the passenger earnings during 2013-14, revision of some passenger service charges and introduction of Fuel Adjustment Component (FAC) which will also help in mobilizing about Rs 4,200 crore. The Committee hope that as assured by the Ministry, the target for internal resources for the Annual Plan, 2013-14 would be optimally achieved.

Reply of the Government

As already explained in ATNs on previous paras, Railways are continuously striving for achieving the earnings target and for keeping the non-plan expenditure under control. The progress of internal resource generation is also closely being monitored on a monthly basis.

Recommendation No.33

The Committee are unhappy to note that during 2013-14, the Ministry of Railways have not been allocated the funds as proposed by them for their important projects. Against the proposed allocations of Rs. 8,523 crore for New Line(PH-11), Rs. 2,391 crore for Gauge Conversion (PH-14), Rs. 6,256 crore for Doubling (PH-15), Rs. 1,365 crore for Traffic Facility (PH-16), Rs. 946 crore for S & T (PH-33), Rs. 1038 crore for RE (PH-35), Rs. 2202 crore for Workshop (PH-42), Rs. 19,730 crore for Rolling Stock (PH-21), the actual allocation made by the Planning Commission has been to the tune of Rs. 6,654 crore, Rs. 2,235 crore, Rs.3,278 crore, Rs. 946 crore, Rs. 1,107 crore, Rs. 1,005 crore, Rs. 2,104 crore and Rs. 17,934 crore respectively. As stated, the Railways would not be able to achieve the desired physical targets due to inadequate allocation to the tune of Rs.7,152 crore and the shortfall can only be met through additional GBS. The Committee take a serious view of frequent downsizing of allocations proposed for the important railway projects which had been projected for required pace of their implementation. In no case, financial constraints should be allowed to bring down the physical projections. Otherwise, it will have a crippling effect on the functioning of the Railways.

Reply of the Government

Downsizing of allocation is done in light of insufficient allocation by the Planning Commission. As mentioned above the issue of allocation of higher GBS has been taken up in the past and will be taken up with the Planning Commission in the upcoming meetings also and in the Annual Plan proposal 2014-15.

It may also be mentioned that concurrent with the above effort Railways have already undertaken an exercise of prioritisation of work so that focussed attention can be paid to the important and urgent projects which are either in the last leg of their completion or are concerned with capacity enhancement and debottlenecking of the network. The fund allocation has been done acoordingly and the progress of such work is being monitored at the highest level.

Also, new participative models for rail connectivity and capacity augmentation projects have been approved by the Cabinet Committee on Infrastructure. This will encourage outside investment in the Railways thus reducing the reliance on in house and government funds.

Recommendation No.34

The Committee regret to note that during 2012-13, against the target of 700 route km of new lines, only 470 route km of new line are likely to be completed. The reasons for the same is stated to be that RE of Rs.5945 crore for new line included Rs.1,500 crore for Dedicated Freight Corridor . Again, out of Rs.4,445 crore, Rs.2,185 crore were provided for new line National Projects. The Committee are surprised to learn that only 63 km on Udhampur-Srinagar-Baramulla and Bogibeel rail cum road bridge will be completed during the year. Further, with the remaining funds the Ministry could complete projects of 470 km length. The Committee express their deep concern at the tardy progress in respect of the new line projects. The Committee are of the view that fixing the target serves no purpose, if serious and dedicated efforts are not made to achieve them.

Reply of the Government

It has been a constant endeavour on part of Railways to execute railway projects within time bound manners without cost overrun depending upon the availability of resources.

Recommendation No.38

The Committee are unhappy to note that as on 31.03.2012, the total electrified route km is only 22,224, out of the total 64,600 railway route km. However, the Committee note that though the percentage share of Railway Electrification in the total Plan outlay has been going down due to increase in the total Plan size of Indian Railways, there is no constraint in meeting the targets laid down. A target of 6,500 route km of rail electrification has been proposed during 12th Plan. Taking into account the fact that 65.60 percent of goods traffic and 50.40 percent of coaching traffic are hauled by electric traction and 34.40 percent of goods traffic and 44.60 percent of coaching traffic are hauled by diesel traction, while the fuel expenses on electric traction (goods+coaching) is only 38.70 percent and fuel expenses on diesel traction (goods+coaching) is 61.30 percent and also in view of increase in the diesel prices, the Committee are of the strong opinion that there is an urgent need to lay more emphasis on rail electrification and to enhance the targets for rail electrification accordingly.

Reply of the Government

Indian railways have already embarked upon a major Electrification programme, as can be seen from the targets and achievements of 10th, 11th, & 12th Five Year Plans are given below:-

Plan	Targets (in route kilometers)	Achievements (in route kilometers)
10th Plan	1800	1810
11th Plan	4500	4556
12th Plan	6500	1317 RKM achieved during 1st year of plan period i.e. 2012-13.

It is also brought out here that, in the last 6 Railway Budgets from (2008-09) to (2013-14), 8165 RKMs of new Railway Electrification projects have been sanctioned which is 34.68% of the total electrified network of 23,541 Route Kilometers as on 01.04.2013. This shows the emphasis already being laid by the Ministry of Railways to increase the pace of electrification in the country.

Recommendation No.39

The Committee learn that the total requirements of coaches, diesel locos, electric locos and wagons are 33,066, 2,000, 2,010 and 1,05,659, respectively during the 12th Five Year Plan. Further, the anticipated achievements are 24,000, 2,000, 2010 and 1,05,659, respectively. Hence, the anticipated achievement in respect of coaches is 9,066 less than the requirement. Undoubtedly, it is a matter of concern to the Committee which is required to be looked into.

Reply of the Government

In order to minimise the anticipated shortfall in coach acquisition vis-à-vis requirement in the 12^{th} Five Year Plan, the following measures have been initiated:

(a) The Production capacity of ICF is being augmented from 1500 coaches to 1700 coaches per annum to enhance the production of coaches in view of increased demand.

(b) A new Rail Coach Factory at Rae-Bareli has started production of coaches.

(c) DMU coach factory at Haldia is also in the final stages of turning out coaches.

(d) Newly sanctioned coach factories such as Kanchrapara and Palakkad, are in different stages of implementation.

(e) To further meet the increasing coach requirements, some greenfield factories have been announced at Kolar, Kutch,Sonepat and Bhilwara.

(f) Further capacity augmentation of existing units is also under consideration.

(g) In addition to the above, procuring coaches from Public and Private Sectors firms is also being processed.

Recommendation No. 46

The Committee further observe that in case of provision of lifting barrier at LCs, against a target of 200, work in respect of only 110 LCs have been completed upto 31 March, 2013. The reasons cited by the Ministry for the under-achievements during 2012-13 are denial by State Govt. For closure of level crossings and non-availability of encumbrance free land for construction of approaches in case of construction of RUB/ Limited Height Subway(LHS). The Committee are of the view that such issues should have been taken into account at the planning stage itself.

Reply of the Government

In views of level crossings being a potential safety hazard, adversely impacting safety of both road users and train passengers, a policy decision has been taken by the Ministry of railways for elimination of the level crossings. In terms of above policy MOR has decided to eliminate the level crossings to the extent possible in a time bound manner and accordingly MOR has sanctioned various works for elimination of level crossing, even without consent of State Govt. For closure of LCs. However, before starting the work Zonal railways have been asked to take the consent for closure of LCs.

CHAPTER-IV

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

Recommendation No.14

The Committee are distressed to note that the Railways have not been able to cover major areas in many States and has very little presence in the North-East States and the Himalayan region. The Committee are apprised that Railways would be completing 1,392 km of new lines in the 12th Plan all across the country, including the Himalayan and North Eastern Region and only 63 km on Udhampur-Srinagar-Baramulla and Bogibeel rail cum road bridge are likely to be completed during the year 2012-13. Further, during 2013-14, a target of 500 km of new line completion includes the Udhampur-Katra section in Jammu & Kashmir and the remaining portion of Harmuti-Naharlagun project providing connectivity to the Capital of Arunachal Pradesh and the balance portion of Dudhnoi-Mehandipathar providing connectivity to capital of Meghalaya. As informed, only 25 km section on National Projects of Jammu and Kashmir would be completed. Out of the total allocation of Rs.6100 crore for new line projects in 2013-14, Rs.2,200 crore have been provided for National Projects in Jammu & Kashmir and the North Eastern Region. In view of the limited presence of the railway system in the North-Eastern States and the Himalayan regions, the Committee are of the strong opinion that people of these areas should no more be deprived of the benefits of rail services for reasons of resource crunch. The Ministry, while realizing the need and importance of such projects, should take up the matter for enhancing the GBS particularly for National Projects with the Planning Commission and the Ministry of Finance at the highest level to make the budgetary exercise more meaningful.

Reply of the Government

Ministry of Railways has always given North Eastern Region its due weightage. Presently, projects with a throwforward of Rs.27,686 crore are in progress over NE Region and Jammu & Kashmir. 11 projects of North East region and J&K are identified as National Projects. For this purpose, North East Region Rail Development Fund (NERRDF) which is a non-lapsable special fund was set up for implementation of these national projects. Funds to the tune of 25% of yearly requirement were to be provided by Railway through GBS and 75% funds were to be provided by Ministry of Finance as additionality to GBS. Although Cabinet Committee on Economic Affairs approval for creation of funds has been obtained, fund is yet to be operationalized. Despite constant pursuing by Ministry of Railways, funds for the National Projects are being clubbed along with the GBS being extended by Ministry of Finance and are not being provided as additionality over and above the GBS. Railways are in continuous interaction with Planning Commission regarding Five Year Plan Outlay demarcated for Railways and also the quantum of Gross Budgetary Support (GBS) for funding New Lines, Gauge Conversion and Doubling works as Railways' internal generation is inadequate to fund the capital intensive projects.

Comments of the Committee

Please see recommendation at Para No. 14 of Chapter I.

Recommendation No.17

The Committee are concerned to note from the detailed break-up of the throw forward of projects sanctioned that there are as many as 88 railway projects which were sanctioned more than 10 years ago and some of them were sanctioned even 20 years ago and are still in the limbo and lying incomplete. The Committee further note to their dismay that among these 88 projects, there is one new line project each which was included in the Budget way back in 1974-75, 1981-82, 1983-84, 1984-85, 1985-86 and 1987-88. It is a matter of grave concern and reflect poorly on the working of Railways. Besides cost over-run in the projects spilling over for longer period of time due to delayed completion, the Committee also wonder about the utility of several of these projects. Hence, a proper review at the highest level in the Ministry is desirable where after decision to continue with these projects be taken accordingly.

Comments of the Committee

Please see recommendation at Para No. 17 of Chapter I.

Reply of the Government

Ministry of Railways in consultation with Ministry of Finance and Planning Commission have prioritized the projects so as to give direct and pointed attention to these works which are last mile projects, port connectivity and those providing alternate routes. Such projects are being accorded highest priority.

Recommendation No. 42

The Committee are distressed to note the tardy progress in respect of ROBs/RUBs during 2012-13. Against the work sanctioned to construct 379 ROBs/RUBs on cost sharing basis, only 90 could be completed upto 31 March, 2013. It is pertinent to mention here that since 2003-04, the achievement in respect of ROBs/RUBs has always been far below the targets. The reasons for under-achievement of targets are late sanction of corresponding work in the State Budget, inadequate fund allocation by the State Government, non-submission of General Arrangement Drawing (GAD) & estimate by the State Govt., frequent changes in alignment of approaches, late finalisation of tender for the work of approaches, nonavailability of encumbrance free land for construction of approaches, not providing undertaking to maintain road and drainage in future for RUBs and delay in providing consent of closure of level crossings. The Committee are not at all impressed by the statement made by the Ministry that these problems faced by them are beyond their control. The Committee are sure that since these problems are not new to the Ministry and are being faced by them every year, then why no concrete action is being taken to resolve the same. The Committee, therefore, urge the Ministry of Railways to give a serious thought to resolve these problems.

Reply of the Government

Zonal Railways have been advised to conduct bi-monthly meeting with the State Govt./ NHAI to resolve the interface issues regarding such works with them. However, there are State Govts. like UP & West Bengal who have shown their willingness to share the cost due to scarcity of funds at their end.

Comments of the Committee

Please see recommendation at Para No. 20 of Chapter I

Recommendation No. 45

The Committee note that 40 percent of consequential rail accidents and 60 percent of fatalities are accounted for by level crossings. They are further constrained to note that the Ministry of Railways have not been able to complete the work of level crossings targeted during 2012-13. Against the target for work relating to manning of 1,066 unmanned level crossings, 461 LC gates were manned upto March, 2013 and infrastructure are ready at 440 LCs gates which are awaiting manpower, hence there is a shortfall in respect of 165 LCs. This is not a satisfactory situation. As stated, 440 LCs awaiting manpower would be manned in phases on availability of sanctioned post of gateman/manpower. The Committee strongly desire that the infrastructure ready at these 440 LCs should not remain idle for want of staff. The Committee would like to be informed about the progress in respect of manning of these LCs.

Reply of the Government

All-out efforts are being made by Ministry of Railway to man the aforesaid 440 Level Crossings (LCs) where infrastructure is ready. Upto May'2013, 62 LCs have already been manned.

Comments of the Committee

Please see recommendation at Para No. 26 of Chapter I

Recommendation No.48

The Committee observe that Ministry of Railways had announced 175 new train services during Rail Budget 2012-13, out of which, 18 train services are awaiting implementation owing to constraints like sanction of the Commissioner for Railway Safety, gauge conversion work, completion of new line and availability of rolling stock and they would be introduced in due course of time once the constraints are overcome. The Committee consider it to be lack of proper planning on the part of the Ministry. In their view all these factors should have been taken into consideration well in advance before a decision was taken to announce a new train service. Already, one year has passed and it is not sure how much time it will take to start the remaining 18 train services. The Committee urge the Ministry that utmost care should be taken before making announcements for new train services

Reply of the Government

Out of 175 train services announced in Railway Budget 2012-13, at present, 15 train services including 11 new introductions, 2 extension and increase in frequency of 2 trains announced in Railway Budget 2012-13 are still to be introduced due to various constraints like sanction of the Commissioner for Railway Safety, gauge conversion work, completion of new line, availability of rolling stock, etc. Earnest efforts are being made for introduction of these trains at the earliest.

Comments of the Committee

Please see recommendation at Para No. 29 of Chapter I

CHAPTER-V

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

-NIL-

NEW DELHI;
17 December, 2013
26 Agrahayana, 1935 (Saka)

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

APPENDIX-I

MINUTES OF THE SIXTH SITTING OF THE STANDING COMMITTEE ON RAILWAYS (2013-14)

The Committee sat on Tuesday, the 17th December, 2013 from 1500 hrs. to 15 hrs. in Committee Room No. '62', Parliament House, New Delhi.

PRESENT

SHRI T.R. BAALU - CHAIRMAN

MEMBERS

LOK SABHA

2. Shri Partap Singh Bajwa
3. Dr. Ram Chandra Dome
4. Dr. Nirmal Khatri
5. Shri Anand Prakash Paranjpe
6. Shri Rudra Madhab Ray
7. Shri Ganesh Singh
8. Dr. Vivekanand

RAJYA SABHA

9. Shri Husain Dalwai
10. Shri K. Parasaran
11. Shri Ambeth Rajan
12. Shri Ishwar Singh

SECRETARIAT

1. Shri K. Vijayakrishnan - Joint Secretary
2. Shri Abhijit Kumar - Director
3. 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 draft Reports and adopted the same without any modifications:

(i) 'Major Railway Accidents during the last five years – Causes and Remedial Measures'; and

(ii) XXX XXX XXX.

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

The Committee then adjourned.

APPENDIX-II

ANALYSIS OF ACTION TAKEN BY GOVERNMENT ON THE RECOMMENDATIONS/OBSERVATIONS CONTAINED IN THE 20th REPORT(15TH LOK SABHA) ON 'DEMANDS FOR GRANTS (2013-14) OF THE MINISTRY OF RAILWAYS'

	Total number of Recommendations/Observations	50
(i)	Recommendations/1observations which have been accepted by the Government:	35
	Para Nos. 1, 2, 3, 4, 7, 8, 9, 10, 11, 12, 13, 15, 16, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 35, 36, 37, 40, 41, 43, 44, 47, 49 and 50	
	Percentage of total	70 %
(ii)	Recommendations/observations which the Committee do not desire to pursue in view of the Government's replies:	10
	Para Nos. 5, 6, 18, 31, 32, 33, 34, 38, 39 and 46	
	Percentage of total	20 %
(iii)	Recommendations/observations in respect of which replies of 5 the Government have not been accepted by the Committee and which require reiteration	5
	Para Nos. 14, 17, 42, 45 and 48	
	Percentage of total	10 %
(iv)	Recommendations/observations in respect of which final replies of Government are still awaited	Nil
	Para No. Nil	
	Percentage of total	0
