

**CIVIL ENGINEERING WORKSHOPS IN INDIAN
RAILWAYS, DELAY IN BUILDING THE NEW RAIL
BRIDGE OVER RIVER SONE AND SIGNAL AND
TELECOMMUNICATIONS**

[Action taken by the Government on the Observations/
Recommendations of the Committee contained in
their Fifth Report (16th Lok Sabha)]

**MINISTRY OF RAILWAYS
(Railway Board)**

**PUBLIC ACCOUNTS COMMITTEE
(2016-17)**

FIFTY FIFTH REPORT

SIXTEENTH LOK SABHA



**LOK SABHA SECRETARIAT
NEW DELHI**

FIFTY-FIFTH REPORT
PUBLIC ACCOUNTS COMMITTEE
(2016-17)

(SIXTEENTH LOK SABHA)

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MINISTRY OF RAILWAYS
(Railway Board)



Presented to Lok Sabha on:

Laid in Rajya Sabha on:

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LOK SABHA SECRETARIAT
NEW DELHI

November, 2016/ Kartika, 1938 (Saka)

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- I Minutes of the 12th Sitting of Public Accounts Committee (2016-17) held on 8th September, 2016.
- II Analysis of the Action Taken by the Government on the Observations/Recommendations of the Public Accounts Committee contained in their Fifth Report (Sixteenth Lok Sabha)

**Not appended to the cyclostyled copy of the Report*

**COMPOSITION OF THE PUBLIC ACCOUNTS COMMITTEE
(2016-17)**

Prof. K.V. Thomas - **Chairperson**

MEMBERS

LOK SABHA

2. Shri Sudip Bandyopadhyay
3. Shri Prem Singh Chandumajra
4. Shri Nishikant Dubey
5. Prof. Richard Hay
6. Shri Gajanan Kirtikar
7. Shri Bhartruhari Mahtab
8. Smt. Riti Pathak
9. Shri Neiphu Rio
10. Shri Janardan Singh Sigriwal
11. Shri Abhishek Singh
12. Dr. Kirit Somaiya
13. Shri Anurag Singh Thakur
14. Shri Shivkumar Udasi
15. Dr. P. Venugopal

RAJYA SABHA

16. Shri Naresh Agrawal
17. Shri Satyavrat Chaturvedi
18. Shri Bhubaneswar Kalita
19. Shri Shantaram Naik
20. Shri Sukhendu Sekhar Roy
21. Shri Ajay Sancheti
22. Shri Bhupender Yadav*

SECRETARIAT

1. Shri A.K. Singh - Additional Secretary
2. Shri S.C. Chaudhary - Joint Secretary
3. Shri Tirthankar Das - Additional Director
4. Shri A.K. Yadav - Deputy Secretary

* Elected w.e.f. 09.08.2016 vice Shri Vijay Goel, MP appointed as Minister of State w.e.f. 05.07.2016.

INTRODUCTION

I, the Chairperson, Public Accounts Committee (2016-17) having been authorised by the Committee, do present this Fifty-Fifth Report (Sixteenth Lok Sabha) on action taken by the Government on the Observations/Recommendations of the Committee contained in their Fifth Report (Sixteenth Lok Sabha) on '**Civil Engineering Workshops in Indian Railways, Delay in building the new Rail Bridge over River Sone and Signal and Communications**' based on the C&AG Report No. 32 of 2011-12, Union Government - Railways related to the Ministry of Railways (Railway Board).

2. The Fifth Report was presented to Lok Sabha and laid in Rajya Sabha on 25 November, 2014. Replies of the Government to the Observations/ Recommendations contained in the Report were received on 10 June, 2016. The Public Accounts Committee considered and adopted the Fifty-Fifth Report at their sitting held on 08 September, 2016. Minutes of the sittings are given at *Appendix-I*.

3. For facility of reference and convenience, the Observations and Recommendations of the Committee have been printed in thick type in the body of the Report.

4. The Committee place on record their appreciation of the assistance rendered to them in the matter by the Office of the C&AG of India.

5. An analysis of the action taken by the Government on the Observations/Recommendations contained in the Fifth Report (Sixteenth Lok Sabha) is given at *Appendix-II*.

NEW DELHI;
/6 November, 2016
25 Kartika, 1938 (Saka)

PROF. K.V. THOMAS
Chairperson,
Public Accounts Committee

(V)

REPORT

CHAPTER – I

This Report of the Public Accounts Committee deals with the Action Taken by the Government on the Observations and Recommendations of the Committee contained in their Fifth Report (16th Lok Sabha) on 'Civil Engineering Workshops in Indian Railways'; 'Delay in Building the New Rail Bridge over River Sone'; and 'Signal and Telecommunication' based on C&AG Report No. 32 of 2011-12 Union Government—Railways relating to the Ministry of Railways (Railway Board).

2. The Fifth Report (16th Lok Sabha), which was presented to Lok Sabha/laid in Rajya Sabha on 25 November, 2014, contained 11 Observations/Recommendations. Action Taken Notes in respect of all the Observations/Recommendations have been received from the Ministry of Railways (Railway Board) are broadly categorized as under :

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

<i>Para Nos. 1,2,3,6,7,8 and 10</i> | Total: 07
Chapter - II |
| (ii) | Observations/Recommendations which the Committee do not desire to pursue in view of the replies received from the Government:

<i>Para Nos. 9</i> | Total: 01
Chapter - III |
| (iii) | Observations/Recommendations in respect of which replies of Government have not been accepted by the Committee and which require reiteration:

<i>Para Nos. 4 and 5</i> | Total: 02
Chapter - IV |
| (iv) | Observations/Recommendations in respect of which Government have furnished interim replies:

<i>Para Nos. 11</i> | Total: 1
Chapter - V |

3. The Committee desire that the Government should furnish at the earliest final/conclusive Action Taken Note on the Observation/Recommendation No. 11 in respect of which the Ministry have furnished interim replies.

4. The detailed examination of the subject had revealed that the Civil Engineering Workshops (CEWs) which were set up more than five decades ago were functioning with quite old machines and required technology upgradation with the average age profile of machines in CEWs ranged from 22 to 47 years against the expected average life of 15 years. Further, no plan for modernization of the CEWs was found to be prepared by the Railways. Assessment of existing capacity revealed that data regarding installed capacity was not available in five CEWs and in the remaining five CEWs, it had not been reassessed at regular intervals. Citing one example, the installed capacity of Arakkonam workshop had been declining injudiciously owing to fall in the staff strength of technicians every year and the vacancies due on retirement not being filled for the last many years.

5. Another issue of Sone Nagar (SEB)—Mughalsarai (MGS) section (124 km) which is a vital corridor for movement of coal, other minerals and goods from Bengal-Bihar-Jharkhand fields to North India and is a part of the Grand Chord (Mughalsarai Asansol) on the Delhi-Howrah route was also examined. To cater to the increasing traffic load, it was planned to lay an additional line between SEB—MGS which necessitated a three-line bridge over river Sone. However, the work of construction of the third line between Dehri-on-Sone (DoS) and MGS (excluding the bridge work) was sanctioned in 1990-91 and the work was progressively completed and opened for traffic between 1997-2002 at a cost of Rs. 262.24 crore. But the Bridge work was neither sanctioned nor progressed simultaneously. The administrative sanction for the bridge work was accorded only in 1997-98 with escalation in the estimated cost from ₹125.63 crore in 1991-92 to ₹ 248.64 crore in December, 1999.

6. Further, issue of Anti-Collision Device (ACD) was also examined which is a train collision prevention equipment based on a microprocessor. In case two trains approach each other on the same track, ACDs apply the brakes on both trains to stop them. The

Committee had noted that first Site Acceptance Test (SAT-I) of ACDs on Katihar-Jalpaiguri-Samukatala of NFR done during July to August 2005 indicated spurious detection of abnormal situations causing unwarranted applications of train brakes, mismatch of information amongst different ACDs installed on the loco, guard van, at stations and level crossings and the work was stopped on the direction of Ministry of Railways in May, 2006 pending evaluation of performance parameters by a Multi Disciplinary Team (MDT-constituted by Railway Board in November, 2006), transfer of design documents to RDSO as well as verification of selection of technology partner by KRCL. During SAT-II, about 23.64 per cent ACDs were either found defective or decommissioned. Further, the TPWS (Train Protection Warning System) work in North Central Railway had not been completed despite incurring an expenditure of ₹ 41.54 crore.

7. The Action Taken Notes furnished by the Ministry of Railways in respect of all the Observations/Recommendations of the Committee have been reproduced in the relevant chapters of this Report. The Committee will now deal with the action taken by the Government on some of their Observations/Recommendations made in their Fifth Report, which need reiteration or merit comments.

INSUFFICIENT FUND ALLOCATION

(Recommendation No. 2)

8. The Committee in their original Report had observed that funds allocated to the CEWs were less than the demand projected. They were also unhappy to find that it took about two to three years to procure/commission machines for the CEWs due to procedural rigmaroles. While viewing with serious concern the constraints being faced by the CEWs, the Committee impressed upon the Ministry to urgently assess the requirement of funds by the Workshops and accordingly take appropriate measures so that fund constraints do not impede the modernization plan of the CEWs. The Committee had also desired that the Ministry should streamline the process and procedures by incorporating e-tendering for procurement and commissioning of modern machines so as to ensure their installation in a time bound manner and consequential increased productivity.

9. The Ministry of Railways in their Action Taken Note have furnished as under:-

"The e-tendering for procurement and commissioning of machines has already been implemented on Indian Railways. There has been a wide gap between the overall requirement and fund allotment for the modernization/expansion/maintenance of railway workshops including engineering workshops. Hence funds are allocated, duly prioritising them as per operation and safety requirements and as per overall availability of funds based on overall priority of various items as indicated by Zonal Railways. However, as soon as the situation improves and the gap is less, it will be ensured that adequate funds are allotted to the workshops works."

10. Audit while vetting the reply of Ministry of Railways commented on the lack of information with respect to details of comprehensive mechanisation and upgradation plan indicating time lines and fund requirement in their reply. The Ministry, in response to the comments, further stated that the broad recommendations of the Holistic Review Committee on comprehensive modernization and technological upgradation of the workshops including fund requirement have already been furnished in the Action Taken. The committee's report is under consideration by the Government.

11. The Committee note that although the shortage of fund for modernization/expansion/maintenance of railway workshops including engineering workshops has been acknowledged by the Ministry, yet no concrete steps have been taken by them in this regard. It was even more interesting for the Committee to note that they are prioritizing such works as per operation and safety requirements which do not correspond to a serious modernization plan and its implementation. The Committee further note that the Holistic Review Committee, constituted by the Railways, for comprehensive modernization and technological upgradation of the workshops has given its recommendations which are under consideration by the Railways. However, no precise fund requirement or definite time line has been indicated by the Ministry by which the said recommendations shall be implemented. The Committee, therefore, desire the Ministry to apprise the Committee about the salient features of the recommendations of the Holistic Review Committee along with total funds required to modernize all Civil Engineering Workshop with a definite timeline indicating the schedule of implementation. The Committee would also like to be

informed of the reasons for fund crunch being faced by the Ministry for effective modernization of CEWs and also the steps taken by them in consonance with its commitment to the modernization plan of the CEWs to overcome the shortage of funds to meet the requisite modernization plan:

AMBIGUITY IN STUDY TO ASSESS THE CAPACITY UTILIZATION OF THE WORKSHOPS

(Recommendation No. 3)

12. The Committee had observed that the Research Design and Standard Organisation (RDSO) were advised by the Railway Board to review the Consortium of Bridge Workshops and organize regular meetings as a result of which RDSO has discussed several issues pertaining to the modernization/ mechanization and improvements of workshops, repairs to workshop infrastructure and machinery, procurement of steel, inspection schedule of girders etc. The conclusions/suggestions of RDSO were reportedly under the consideration of the Railway Board. In view of the scarce private participation in the manufacture/supply of girders etc. and the excellent job rendered by the Workshops in meeting the immediate and unforeseen requirements, as candidly admitted by the Chairman, Railway Board, the Committee had urged the Ministry to take time bound action on the suggestions of RDSO to explore the possibility of increased private participation so that the CEWs meet the growing requirements more effectively. The Committee had also desired that a comprehensive study be carried out to assess the capacity utilization of the Workshops *vis-a-vis* the installed capacity so as to ensure effective utilization of both manpower and machinery.

13. The Ministry of Railways in their Action Taken Note have stated as under:-

"Presently, depending upon the capacity of the Engineering workshops, fabrication and related activities are being done departmentally. Additional workload beyond capacity is already being offloaded to private agencies. In order to ensure maximum utilisation of workshops, each workshop has been associated with different zonal railways. To meet the growing requirement of production in workshop, certain activities such as metalizing of finished girders, transportation of materials, stud welding for composite girders etc. have also been identified for outsourcing. Further, the Committee set up for Holistic Review of the Workshops in its report has examined the issue of capacity assessment. Based on the existing infrastructure, machineries & plants, the

Committee has suggested a formula for arriving at the capacity of the workshop. The report of the Committee is under consideration.

14. As the reply of the Ministry of Railways lacked details of suggestions made by RDSO and action taken on them and capacity utilization of workshops the Audit asked for details in this regard.

15. The Ministry in response to the comments of the audit have further stated as under:

"On the recommendations of Consortium of Bridge Workshops, RDSO has mainly recommended to enhance financial powers of workshop officer in charge/workshop stores officers for procurement of stock/non stock items and repair/maintenance of M&P items, to go for trade for fabrication of bridge girders only with prior consent of concerned Chief Bridge Engineer (CBE), replacement of old M&P items, girder fabrication as core activity of workshop.

In this regard, the issue of increasing the financial powers of workshop officers is under consideration in Board's office. Board has also issued orders as per which thrust is to be given on production of bridge girders and railway to explore the girder fabrication through existing bridge workshops first before going to trade with prior consent of concerned CBE only. For assessing the capacity of the workshop, the committee has suggested formula of 0.5 EqT/man/month to applicable uniformly to all the workshops. The report is under consideration."

16. The Committee had desired that a comprehensive study be carried out to assess the capacity utilization of the Workshops vis-a-vis the installed capacity so as to ensure effective utilization of both manpower and machinery. From the submission made by the Railways, the Committee note that although the Holistic Review Committee has examined the issue of capacity assessment based on the existing infrastructure, machineries & plants, and suggested a formula in October, 2012, for arriving at the capacity of the workshop, the report of the Committee is still under consideration by the Railways even after a passage of 04 years. They have neither indicated a definitive timeline for its implementation nor have chalked out any road-map for implementation. The Committee, therefore, desire the Railways to expedite their efforts in the matter of modernization plans of CEWs and take urgent steps to move past the stage of consideration of the report of Holistic Review Committee and apprise the Committee of the concrete steps taken in line with recommendations of the holistic review committee.

SUBSTANTIAL BACKLOG OF VACANCIES IN CEWS

(Recommendation No. 4)

17. The Committee in their earlier Report had expressed its disappointment to find that there were 1406 vacancies in various cadres in the ten CEWs as against the combined sanctioned strength of 6546 personnel. Worse, no target date had been fixed for filling up the vacancies on the plea that creation and filling up of vacancies is a continuous process and manpower availability and requirement will be assessed by the Committee set up to undertake a holistic review of the Workshops. The Committee were not satisfied with the reasoning of the Ministry for not prescribing a target date for filling up the vacancies. They had emphasized that, till such time the manpower requirement is pending consideration by the Committee constituted for the purpose, the Ministry should take urgent requisite measures to fill up the vacancies so as to obviate any adverse effect on the productivity and output of the Workshops. The Committee further desired that a study on the rationalization of the CEWs be undertaken so as to ensure that there is optimum utilization of human resources with no idle manpower in the Workshop. The Committee had also desired that the Railway Board should meticulously follow the instructions issued by the DoPT in drafting a annual Recruitment Plan.

18. The Ministry of Railways in their Action Taken Note have stated as under:-

"The creation of vacancies and filling up of vacancies is a continuous process due to continuous retirement, periodic review of cadre position etc. However, the action for filling up the vacancies through Railway Recruitment Board, Railway Recruitment cell & Departmental promotions etc. is being continuously taken as required.

19. Audit in their comments on the reply of the Ministry observed that action taken to fill up the vacancies in a time bound manner has not been indicated. The results of study conducted and the rationalization of CEWs to ensure optimum utilization of human resources have not been spelt out. The Ministry in their reply to the comments of the audit have further stated as under:

"The generation of vacancies due to retirement etc. and filling up of vacancies in the Bridge Workshops is a continuous process. Vacancies are filled up through direct recruitment/departmental promotions etc. Direct recruitment is done through Railway Recruitment Board/Railway Recruitment Cell. The railways have already placed indents on the respective Railway Recruitment Board/Railway

Recruitment Cell for filling up vacancies required to be filled up through direct recruitment which is at various stages by RRB/RRCs.

The committee in its report has deliberated on Manpower and Human Resources aspects. The committee has given thrust on reduction of indirect manpower, training and skill upgradation of staff, to include bridge workshop staff in safety category. The report is under consideration."

20. The Committee note that the Ministry have not taken any concrete action in pursuance of their recommendation with respect to filling up of the vacant posts in various cadres in the ten CEWs in order to avoid any adverse effect on the productivity and output of the Workshops. The Committee are further dismayed to note that action taken replies submitted by the Ministry are even conspicuously silent about the recommendation of the Committee to initiate a study on the rationalization of the CEW to ensure optimum utilization of human resources with no idle manpower in the Workshop. Although, the Ministry have stated that the report of a Committee set up to undertake holistic review of the Workshops is under consideration, the reply does not state the time by which the said report shall be adopted and major reforms proposed in the report will be implemented. Moreover, the Ministry have informed the fact that the railways have placed indents on the respective Railway Recruitment Board/Railway Recruitment Cell for filling up vacancies required to be filled up through direct recruitment which is at various stages by RRB/RRCs. This reply does not indicate any definite timeline by which the requisite vacancies will be filled-in nor does it reflect any proactive role on the part of the Railways to rise to the occasion in tackling the problem of shortage of manpower. The Committee, therefore, recommend that the Ministry should take an objective stand in the matter and pursue the matter of filling up vacancies in a time bound manner by ensuring accountability from respective Railway Recruitment Board/Railway Recruitment Cell rather than absolving itself of the requisite action by passing on the matter to Recruitment Board. The Committee may be informed of the action taken by the Ministry in this regard. They would also like to be apprised of the entire gamut of activities undertaken towards achieving rationalization of manpower in CEWs.

RAILWAY ENGINEERING COLLEGES/RAILWAY UNIVERSITY**(Recommendation No. 5)**

21. In view of the fact that there are no exclusive Railway Engineering Colleges in the country, the Committee in their original Report had recommended that the Ministry, in consultation with the appropriate authorities, explore the feasibility of establishing such exclusive university and colleges so that skilled specialized professionals are available to effectively cater to the various technical activities undertaken by the Railways at different points of time.

22. The Ministry of Railways in their Action Taken Note have stated as under:-

"Hon'ble Minister for Railways while introducing the Railway Budget had announced that the Government is contemplating to set up Railway University for both technical and non-technical subjects. The courses in the Railway University will provide skills in Railway related technology and management. The National Academy of Indian Railways at Vadodara is being upgraded to be set up as the first Railway University, in association with other centralised Training Institutes and Zonal Training Centres."

23. With respect to setting up of a Railway University, the Committee note that after their report was presented to the House in November, 2014, the Railway Minister, while presenting the Railway Budget, had stated that the Government is contemplating to set up such an university which will provide skills in Railway related Technology and management. Moreover, the Committee have been informed that the national Academy of Indian Railways at Vadodara is being upgraded to be set up as the first Railway University, in association with other centralized Training Institutes and Zonal Training Centre. The Committee desire the Ministry/Railway Board to take adequate steps to transform the aspirations of the Government into tangible accomplishments. Action taken in this regard and the consequent development with respect to setting up of the University be intimated to this Committee.

APPENDIX-II

(Vide Paragraph 5 of Introduction)

ANALYSIS OF THE ACTION TAKEN BY THE GOVERNMENT ON THE OBSERVATIONS/RECOMMENDATIONS OF THE PUBLIC ACCOUNTS COMMITTEE CONTAINED IN THEIR FIFTH REPORT (SIXTEENTH LOK SABHA)

(i)	Total number of Observations/Recommendations	--	11
(ii)	Observations/Recommendations of the Committee which have been accepted by the Government: Para Nos. 1, 2, 3, 6, 7, 8 & 10	--	Total : 07 Percentage: 63.63%
(iii)	Observations/Recommendations which the Committee do not desire to pursue in view of the reply of the Government: Para No. 9	--	Total : 01 Percentage: 9.09%
(iv)	Observations/Recommendations in respect of which replies of the Government have not been accepted by the Committee and which require reiteration: Para Nos. 4 & 5	--	Total : 02 Percentage: 18.18%
(v)	Observations/Recommendations in respect of which the Government have furnished interim replies: Para No. 11	--	Total : 01 Percentage: 9.09%