

**GOVERNMENT OF INDIA  
RAILWAYS  
LOK SABHA**

STARRED QUESTION NO:361  
ANSWERED ON:20.04.2015  
SYSTEM AND PROCEDURES IN RAILWAYS  
Kushwaha Shri Ram Kumar Sharma

**Will the Minister of RAILWAYS be pleased to state:**

- (a) whether the Government is aware that financial impropriety and inadequate delegation of powers to various senior functionaries and authorities have impacted decision making, thereby hampering railway projects;
- (b) if so, the reaction of the Government thereto along with powers delegated to senior functionaries at present;
- (c) whether the Committee headed by Dr. E. Sreedharan has submitted its report on system and procedures for taking commercial decisions, including tendering in the Railways;
- (d) if so, the details thereof including the salient features of the report; and
- (e) the manner in which and the time by which the recommendations made are likely to be implemented?

**Answer**

MINISTER OF RAILWAYS (SHRI SURESH PRABHAKAR PRABHU)

(a) to (e): A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF STARRED QUESTION NO. 361 BY SHRI RAM KUMAR SHARMA TO BE ANSWERED IN LOK SABHA ON 20.04.2015 REGARDING SYSTEM AND PROCEDURES IN RAILWAYS

(a) & (b) : Government is aware of the need for adequate delegation of power to senior functionaries for speedy decision making including that for projects within the overall framework of delegation in Government and system of checks and balances connected therewith to ensure financial propriety. Such delegation is a continuous process and powers at various levels are notified on the entire spectrum of subjects covering inter alia operation, maintenance and projects.

Government has a strong system of checks and balances to detect stray cases of financial improprieties and take appropriate punitive and corrective action.

As part of this process, all powers to deal with tenders were delegated by the Ministry of Railways to the General Managers. The powers for sanction of detailed estimates hitherto being exercised by the Minister have also recently been delegated to the Board Members. Further, to suggest ways to implement the decision of delegation taken by the Minister for Railways, a one man Dr. E. Sreedharan committee was appointed.

(c) to (e): Dr. E. Sreedharan has submitted the Final Report on 11.03.2015 for delegating tendering and commercial powers to General Managers and other operating levels. The Committee has recommended total delegation of powers to General Managers for calling tenders and finalization of all types of contracts. The Committee has further recommended substantial delegation of powers including those related to tenders and contracts to operating level in Zonal Railway Headquarters, Divisions, Production Units and other officers with checks and balances.

A group of three Executive Directors of Railway Board has been nominated to evaluate the recommendations of Dr. E. Sreedharan committee for facilitating final decision on implementation.