

10

**STANDING COMMITTEE
ON RAILWAY
(2002)**

THIRTEENTH LOK SABHA

**MINISTRY OF RAILWAYS
(RAILWAY BOARD)**

**DEMANDS FOR GRANTS
(2002-2003)**

TENTH REPORT



**LOK SABHA SECRETARIAT
NEW DELHI**

April, 2002/Chaitra, 1924 (Saka)

TENTH REPORT
STANDING COMMITTEE ON RAILWAYS
(2002)

(THIRTEENTH LOK SABHA)

MINISTRY OF RAILWAYS
(RAILWAY BOARD)

DEMANDS FOR GRANTS
(2002-2003)

Presented to Lok Sabha on 15.4.2002

Laid in Rajya Sabha on 15.4.2002



LOK SABHA SECRETARIAT
NEW DELHI

April, 2002/Chaitra, 1924 (Saka)

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COMPOSITION OF THE STANDING COMMITTEE
ON RAILWAYS (2002)

Shri K. Yerranna — *Chairman*

MEMBERS

Lok Sabha

2. Dr. Madan Prasad Jaiswal
3. Shri Sohan Potai
4. Dr. (Smt.) Anita Arya
5. Shri Bhupendra Sinh Solanki
6. Smt. Abha Mahato
7. Shri Jagdambi Prasad Yadav
8. Shri Jaibhan Singh Pawaiya
9. Shri Salkhan Murmu
10. Shri Bahadur Singh
11. Shri Brij Bhushan Sharan Singh
12. Smt. Raneer Narah
13. Shri Rajo Singh
14. Smt. Santosh Choudhary
15. Shri Manikrao Hodlya Gavit
16. Shri Avtar Singh Bhadana
17. Shri Priya Ranjan Dasmunsi
18. Shri Moinul Hassan
19. Shri G. Ganga Reddy
20. Smt. Sushila Saroj
- *21. Shri Haribhau Shankar Mahale
22. Dr. Baliram
23. Shri M. Chinnasamy
24. Shri Prabhat Samantaray
25. Dr. Nitish Sengupta
26. Smt. Nivedita S. Mane
27. Shri Naval Kishore Rai
28. Shri Ajay Singh Chautala
29. Shri A.K. Moorthy
30. Shri Ramdas Athawale

(iv)

Rajya Sabha

31. Shri Bhagatram Manhar
32. Shri Raju Parmar
- @33. Shri K.C. Kondaiah
- @34. Shri Gopalsinh G. Solanki
35. Shri Rajnath Singh 'Surya'
36. Shri Ram Nath Kovind
37. Dr. (Smt.) Chandrakala Pandey
- @38. Smt. Jayaprada Nahata
- ***39. Shri N. Jothi
40. Shri S.R. Bommai
- @41. Shri Ranjan Prasad Yadav
42. Shri Praful Patel
43. Dr. Arun Kumar Sarma
- **44. Shri Abani Roy
45. Vacant

SECRETARIAT

1. Shri John Joseph — *Additional Secretary*
2. Shri R.C. Gupta — *Director*
3. Shri S.N. Dargan — *Under Secretary*
4. Shri O.P. Shokeen — *Assistant Director*
5. Shri U.C. Bharadwaj — *Sr. Committee Assistant*
6. Smt. Archana Srivastava — *Sr. Committee Assistant*

* Nominated *vide* LSS Bulletin Part-II dated 08.02.2002 *vice* Shri Subodh Mohite, MP (LS).

** Nominated *vide* RSS Bulletin Part-II dated 17.01.2002.

*** Nominated *vide* RSS Bulletin dated 10.4.2002 *vice* Shri S. Niraikulathan, MP who retired from Rajya Sabha *w.e.f.* 2.2.2002.

@ Retired from Rajya Sabha *w.e.f.* 9.4.2002.

INTRODUCTION

I, the Chairman of Standing Committee on Railways (2002), having been authorised by the Committee to present the Report on their behalf, present this Tenth Report of the Standing Committee on Railways (2002) on 'Demands for Grants (2002-2003)' of the Ministry of Railways.

2. The Committee considered and finalized on 15th March, 2002 the list of points for seeking information on certain issues relating to the subject. They took evidence of the representatives of the Ministry of Railways on 1st & 3rd April, 2002 and Ministry of Finance, Planning Commission and Department of Development of North Eastern Region on 2nd April, 2002 in connection with the examination of the Demands for Grants (2002-2003) of the Ministry of Railways.

3. The Committee considered and adopted the Report at their sitting held on 9th April, 2002. Minutes of the sittings held on 15th March and 1st, 2nd, 3rd & 9th April, 2002 form Part-II of the Report.

4. The Committee wish to express their thanks to the officers of the Ministry of Railways (Railway Board), Ministry of Finance, Planning Commission and Department of Development of North Eastern Region for appearing before the Committee and furnishing the material and information which the Committee desired in connection with the examination of the Demands for Grants (2002-2003) and sharing with them the issues concerning the subject which came up for discussion during evidence.

NEW DELHI;
12 April, 2002
22 Chaitra, 1924 (Saka)

K. YERRANNAIDU,
Chairman,
Standing Committee on Railways.

PART I
REPORT

Introductory

The Indian Railways, the lifeline of the nation significantly contribute to economy and social development of the society. The Railways traverse through the length and breadth of the country covering almost 63,028 route kms as on 31.3.2001, comprising broad gauge (44,776 kms), meter gauge (14,987 kms) and narrow gauge (3,265 kms). As the principal constituent of the nations' transport system the Railways have acquired the status of the largest Railway system in the world under a single management owning a fleet of 2,22,147 wagons (units), 37,840 coaches and 7,566 number of locomotives. The Railways, a symbol of national integration and great contributor to economic growth, manage to run 14,322 trains daily, including about 8,500 passenger trains. They carry more than a million tonne of freight traffic and about 13 million passenger covering 6,853 number of stations daily. The Railways being the more energy efficient mode of transport are ideally suited for movement of bulk commodities and for long distance travel. As compared to road transport, the railways have a number of intrinsic advantages. The Railways are five to six times more energy efficient, four times more efficient in land use and significantly superior from the standpoints of environment impact and safety. The Railways, therefore, rightly occupy pride of place in the growth and development of the nation.

2. The Minister of Railways has presented the Railway Budget for the year 2002-2003 on 26th February, 2002. The Budget Statement shows the total revenue receipts, revenue and works expenditure, distribution of Railways' excess of receipts over expenditure and position of various funds which the Railways keep with the Central Government, viz., Railway Depreciation Reserve Fund, Railway Development Fund, Railway Pension Fund, Capital Fund, Railway Safety Fund and Special Railway Safety Fund.

3. The Revenue receipts of the Railways consist of earnings from passenger traffic, other coaching earnings (which include parcels and luggage), earnings from goods traffic and sundry other earnings like rent, catering receipts, interest and maintenance charges from outside bodies and other non-traditional areas such as leasing or 'right of way' for Optic Fibre Cable, commercial utilization of land and air space and commercial publicity on rolling stock and station buildings, etc.

4. There are also other miscellaneous receipts like receipts of Railway Recruitment Boards from sale of application forms and examination fees, etc. and the Government's share of surplus profits which includes receipts from subsidized Railway companies in which the Government has no capital interest. The subsidy from General Revenues in respect of dividend relief forms part of miscellaneous receipts. Contribution from Central Road Fund for financing safety works and receipts from safety surcharge on passenger fares is also accounted for in the miscellaneous receipts. The total of all these items makes up the total receipts of the Railways. The portion of the earnings which is due to the Railways during the financial year but has not actually been realized is held in a 'Suspense' account.

5. The expenditure incurred by the Railways is on Revenue account and on Works account. The Revenue account consists of Ordinary Working Expenses incurred by the various Departments of the Railways in their day to day working, other miscellaneous expenditure like the expenditure on Railway Board, Audit, Surveys and other miscellaneous establishments and payments as regulated by contracts to worked lines which are not owned by the Railways and are either worked by the Railways or companies concerned and appropriation to the Special Railway Safety Fund. The Revenue Account also includes appropriation to the Depreciation Reserve Fund, Pension Fund and dividend paid by the Railways to the General Revenues. The excess of receipts over expenditure remaining after discharging the dividend liability is appropriated to the Development Fund, the Safety Fund and the Capital Fund, depending upon the actual needs. These Funds are meant to finance part of Plan requirements. While the Development Fund is used to finance expenditure on Passenger and Other Railway Users' Amenities Works, Staff Welfare Works, Un-remunerative operating improvements and safety works, Safety Fund is used for financing works relating to conversion of unmanned level crossings and for construction of Railway Over Bridges/Railway Under Bridges at busy level crossings. Capital Fund is used for works chargeable to Capital. The appropriation to Capital Fund is made only after making necessary appropriations to Development Fund and Safety Fund. In case there is no 'Excess' or not enough 'Excess' to be transferred to Development Fund and Capital Fund, temporary loan is obtained from General Revenues to finance the expenditure to be met out of these Funds.

6. Works expenditure is financed from capital borrowed from the General Revenues and also by internal resources, *viz.*, Capital Fund, Depreciation Reserve Fund, Development Fund, Railway Safety Fund, Special Railway Safety Fund and Revenue (The cost of un-remunerative operating improvements and works other than passenger amenities costing below certain financial limits are charged to Revenue). The overall annual budgetary support from the General Finances of Government to the Railways consists of the Capital loans and the sums temporarily loaned to meet the deficiency, if any, in the Development Fund and the Capital Fund. A part of the investment in Railway assets, covered by the Railway Plans, is also made by the Indian Railway Finance Corporation which raises funds through market borrowings.

Demands for Grants, 2002-2003

7. There are following 16 Demands for Grants—Demands 1 to 15 dealing with Revenue Expenses, Appropriations to the Funds and Dividend Payment and Demand 16 dealing with works Expenditure:—

No. of Demands	Name of the Demands
1.	Railway Board.
2.	Miscellaneous Expenditure (General).
3.	General Superintendence and Services on Railways.
4.	Repairs and Maintenance of Permanent Way and Works.
5.	Repairs and Maintenance of Motive Power.
6.	Repairs and Maintenance of Carriages and Wagons.
7.	Repairs and Maintenance of Plant and Equipment
8.	Operating Expenses - Rolling Stock and Equipment.
9.	Operating Expenses - Traffic.
10.	Operating Expenses - Fuel.
11.	Staff Welfare and Amenities.
12.	Miscellaneous Working Expenses.
13.	Provident Fund, Pension and Other Retirement Benefits.
14.	Appropriation to Funds.
15.	Payment of Dividend to General Revenues.
16.	Assets—Acquisition, Construction and Replacement.

Demand No. 01 - Railway Board

8. The details of the Demand are as under:—

Voted: *Rupees sixty seven crore seventy four lakhs*

(In thousands of Rupees)

Actuals 2000-01	Budget Estimate 2001-02		Revised Estimate 2001-2002	Budget Estimate 2002-2003
11,12,48	11,92,85	Pay of Group 'A' & 'B' Establishment	11,02,85	12,00,00
14,53,34	15,38,50	Pay of Group 'C' & 'D' Establishment	15,41,50	15,99,00
33,81,61	36,96,80	Other Charges	36,78,25	39,75,00
59,47,43	64,28,15	Total - Voted	63,22,60	67,74,00
The above estimates do not include the recoveries mentioned below, which are taken outside the gross budget and adjusted in the accounts in reduction of expenditure.				
	1,00	Credits / Recoveries	1,00	1,00
59,47,43	64,27,15	Net	63,21,60	67,73,00

9. The budget Estimates 2002-03 exceed the Revised Estimates 2001-02 by Rs. 4.51 cr. This increase is mainly due to incremental effect on Salary and resultant increase in Allowances.

Demand No. 02 - Miscellaneous Expenditure (General)

10. The details of the Demand are as under:—

Voted: *Rupees one hundred and ninety three crore*

(In thousands of Rupees)

Actuals 2000-01	Budget Estimate 2001-02	Minor Heads of Demand		Revised Estimate 2001-02	Budget Estimate 2002-03
1	2	3		4	5
9,09,75	10,34,86	(a) Surveys	Voted	7,81,94	7,43,80
			Charged	"	"
55,63,18	56,77,90	(b) Research, Design and Standards Organisation, Lucknow	Voted	56,51,00	58,87,00
			Charged	"	"
52,35,69	58,29,40	(c) Expenditure on Miscellaneous Establishment	Voted	56,13,57	59,43,60
			Charged	"	"
42,14,71	42,65,00	(d) Reimbursement of Cost of Statutory Railways	Voted	42,75,00	46,39,00
			Charged	"	"

1	2	3	4	5	
27,94	29,15	(e) Payments to Worked Lines, Subsidised Companies	Voted Charged	70,04 ..	73,05 ..
11,79,11	20,76,54	(f) Miscellaneous Charges	Voted Charged	14,56,25 ..	20,13,55 ..
171,30,38	189,12,85	Total	Voted Charged	178,47,80 ..	193,00,00 ..
	-14000	Credit or Recoveries		-13500	-13500
167,66,57	187,72,85	Net		177,12,80	191,65,00

The above estimates do not include the recoveries mentioned below, which are taken outside the gross budget but adjusted in accounts as reduction of expenditure.

11. The Budget Estimates (Gross) for 2002-03 under this Demand exceed the revised Estimates 2001-02 by Rs. 14.52 crore. The increase is mainly due to additional demand for incremental effect on salaries and resultant increase in allowances and Other Expenses.

Demand No. 03—General Superintendence and Services on Railways

12. The details of the Demand are as under:—

Voted: Rupees one thousand five hundred and sixty three crore forty seven lakhs

Charged: Zero

(Figures in thousands of Rupees)

Actuals 2000-01	Budget Estimate 2001-02	Minor Heads of Demand		Revised Estimate 2001-02	Budget Estimate 2002-03
1	2	3		4	5
92,27,70	100,28,94	100 - Gen. Management including General Management Services	Voted Charged	101,08,54 28	110,46,51 ..
41	..				
382,41,75	409,98,75	200-Financial Management	Voted Charged	398,67,62 ..	416,63,36 ..
4	..				
238,93,22	247,25,57	300-Personnel Management	Voted Charged	242,87,37 30	253,40,01 ..
..	50				
253,63,14	268,16,78	400-Materials Management	Voted Charged	263,64,75 ..	272,86,50 ..
4	..				

1	2	3		4	5
124,16,89 12	130,42,80 ..	500-Way and Works Management	Voted Charged	127,39,65 ..	132,40,25 ..
81,05,39 ..	86,80,78 ..	600-Rolling Stock Management	Voted Charged	85,16,39 ..	90,15,65 ..
56,16,19 70	61,08,51 —	700—Electrical Management	Voted Charged	61,95,94 ..	64,68,86 ..
42,09,80 ..	44,17,08 ..	800-Signal and Telecommunication Management	Voted charged	4372,16 ..	46,20,42 ..
164,95,81 30	170,60,29 ..	900-Traffic management	Voted Charged	169,70,51 10	176,65,44 ..
14345,69,89 1,61	1518,7950 50	Total- (100-900)	Voted Charged	1494,22,93 68	1563,47,00 ..
The above estimates do not include the recoveries mentioned below which are adjusted in accounts in reduction of expenditure.					
-15,39,96	-7,12,00	Credits or recoveries		-11,64,61	-11,73,00
1420,31,54	1511,68,00	Net		1482,59,00	1551,74,00

13. The Budget Estimates of Rs. 1563.47 crore under this Demand reflects an increase of Rs. 69.23 crore over the Revised Estimates. This comprises an increase of Rs. 69.24 crore under 'Voted portion to provide for payment of Dearness Allowance (Rs. 5921.88 lakh), and Other Miscellaneous Factors (Rs. 1002.19 lakh); and a decrease of Rs. 0.68 lakh under 'Charged appropriation due to less payments anticipated in satisfaction of court decrees.

Demand No. 04—Repairs and Maintenance of Permanent Way and Works

14. The details of the Demand are as under:-

Voted: Rupees three thousand one hundred and fifty six crore fifty eight lakhs ninety four thousand

Charged: Zero

(Figures in thousands of Rupees)

Actuals 2000-01	Budget Estimate 2001-02	Minor Heads of Demand		Revised Estimate 2001-02	Budget Estimate 2002-03
1	2	3		4	5
242,55,52 30	247,18,10, ..	100—Establishment in Offices	Voted Charged	247,36,16 ..	258,42,90 ..

1	2	3	4	5	
1904,42,38	1991,53,66	200--Maintenance of	Voted	1969,83,23	2095,82,50
12,30	2,60	Permanent Way	Charged	9,89	..
94,28,78	100,09,86	300--Maintenance of Bridge work and Tunnels including Road over/under bridges.	Voted	100,75,26	109,47,96
88	..		Charged	..	..
296,92,34	324,23,96,	400--Maintenance of service buildings (other than Staff Quarters and Welfare buildings)	Voted	318,53,36	343,17,20
..	40		Charged	40	..
176,87,68	181,07,84	500-Water Supply Sanitation and Roads (other than colonies, Staff Quarters and Welfare buildings).	Voted	186,11,78	202,61,87
..	..		Charged	..	..
36,41,61	38,74,72	600-Other Repairs and Maintenance	Voted	41,36,49	44,07,03
..	..		Charged	..	..
135,35,68	100,37,18	700-Special repairs pertaining to breaches, Accidents etc. including special Revenue Works	Voted	111,11,25	102,99,48
1,89	..		Charged	..	..
2886,83,99	2983,25,32	Total - (100 to 700)	Voted	2975,07,53	3156,58,94
15,37	3,00		Charged	10,29	..
-22,79,95	-19,89,32	Credits or Recoveries	-20,39,82	-20,30,94	
2864,19,41	2963,39,00	Net	2954,78,00	3136,28,00	

15. The Budget Estimates of Rs. 3156.59 crore under this Demand reflects an increase of Rs. 181.41 crore over the Revised Estimates comprising an increase of Rs. 181.51 crore under 'Voted' portion to provide for payment of Dearness Allowance (Rs. 9425.34 lakh), Cost of Materials (Rs. 1292.16 lakh) Contractual Payments (Rs. 6823.38 lakh), Misc. Factors (Rs. 610.53 lakh); partly offset by a decrease of Rs. 10.29 lakh under 'Charged' appropriation due to less payments anticipated in satisfaction of court decrees.

Demand No. 05—Repairs and Maintenance of Motive Power

16. The details of the Demand are as under:-

Voted: *Rupees one thousand seven hundred and forty three crore seventy one lakhs sixty thousand*

Charged : Zero (Figures in thousands of Rupees)

Actuals 2000-01	Budget Estimate 2001-02	Minor Heads of Demand		Revised Estimate 2001-02	Budget Estimate 2002-03
148,51,60	179,28,56	100 — Establishment in offices	Voted	156,16,16	162,34,66
"	"		Charged	"	"
2,82,82	3,19,48	200 — Steam Locomotives	Voted	2,99,42	3,17,03
"	"		Charged	"	"
942,26,56	1033,69,57	300 — Diesel Locomotives	Voted	960, 95,62	1033,61,00
"	"		Charged	65	"
495,98,21	558,82,87	500 — Electric Locomotives	Voted	519,86,55	555,39,47
"	"		Charged	"	"
-968.44	-58,82,57	600 — Rail Cars, Ferry Steamers and other maintenance expenses.	Voted	-10,53,80	-10,80,56
"	"		Charged	"	"
1579,90,75	1716,17,91	Total—(100 to 600)	Voted	1629,43,95	1743,71,60
"	65		Charged	65	"

The above estimates do not include the recoveries mentioned below which are adjusted in accounts in reduction of expenditure.

-40.89,01	-34,99,56	Credits or Recoveries	-35,89,60	-35,39,60
1539,01,74	1681,19,00	Net	1593,55,00	1708,32,00

17. The Budget Estimates of Rs. 1743.71 crore under this Demand reflects an increase of Rs. 114.27 crore over the Revised Estimates comprising an increase of Rs. 114.28 crore under 'Voted' portion to provide for payment of Dearness Allowance (Rs. 2491.16 lakh), Wages on POH (Rs. 766.60 lakh), Contractual payments (Rs. 307.33 lakh), Increased Maintenance Activities (Rs. 6099.27 lakh), Transfers of Debits/Credits etc. (Rs. 1692.28 lakh); and for Miscellaneous factors (Rs. 71.01 lakh); and a decrease of Rs. 0.65 lakh under 'Charged' appropriation due to less payments anticipated in satisfaction of court decrees.

Demand No. 06 — Repairs and Maintenance of Carriages and wagons

18. The details of the Demand are as under:-

Voted: Rupees three thousand three hundred and thirty three crore seventy nine lakhs sixty three thousand

Charged: Zero

(Figures in thousands of Rupees)

Actuals 2000-01	Budget Estimate 2001-02	Minor Heads of Demand		Revised Estimate 2001-02	Budget Estimate 2002-03
203,89,69 1,03	225,56,48	100 — Establishment in offices	Voted Charged	216,49,37 1,00	227,35,55 ..
1142,04,80	1251,55,99	200 — Carriages	Voted Charged	1199,22,45 61	1292,75,24 ..
931,47,60 38	1020,15,28	300 — Wagons	Voted Charged	930,95,32 1,72	1,72,976,22,28 ..
282,51,33	315,90,48	400 — Electrical Multiple Unit Coaches. Coaches	Voted Charged	304,41,57 ..	315,43,21 ..
475,02,47	510,78,85	500 — Electrical General Services- Train lighting, fans and Air-conditioning.	Voted Charged	510,96,25 ..	540,25,26 ..
-25,08,58	-27,06,01	600 — Miscellaneous Repairs and Maintenance expenses.	Voted Charged	-29,11,08 ..	-32,79,69 ..
9,87,56	14,06,47	700 — Diesel Multiple Units (DMUs).	Voted Charged	13,60,81 ..	14,57,78 ..
30,19,74,87 1,41	3310,97,54	Total (100 To 700)	Voted Charged	3146,54,69 3,33	3333,79,63 ..
The above estimates do not include the recoveries mentioned below which are adjusted in accounts in reduction of expenditure.					
-95,37,48	-84,99,54	Credits or Recoveries		-90,80,02	-90,79,63
2924,38,80	3225,98,00	Net		3055,78,00	3243,00,00

19. The Budget Estimates of Rs. 3333.80 crore under this Demand reflects an increase of Rs. 187.22 crore over the Revised Estimates. This comprises an increase of Rs. 187.25 crore under 'Voted' portion to provide for payment of Dearness Allowance (Rs. 4328.57 lakh), Wages on POH (Rs. 3940.79 lakh), Increased Maintenance Activity (Rs. 8777.93 lakh), transfer of Debit/credit etc. (Rs. 2022.51 lakh); partly offset by less payments under other Miscellaneous Factors (Rs. 344.86 lakh); and Rs. 3.33 lakh under 'Charged' appropriation due to less payments anticipated in satisfaction of court decrees.

Demand No. 07 — Repairs and Maintenance of Plant and Equipment

20. The details of the Demand are as under:-

Voted: Rupees one thousand seven hundred and forty crore thirty four lakhs eighty thousand

Charged: Zero

(Figures in thousands of Rupees)

Actuals 2000-01	Budget Estimate 2001-02	Minor Heads of Demand		Revised Estimate 2001-02	Budget Estimate 2002-03
186,30,41	193,21,53	100 — Establishment in offices	Voted	193,72,31	203,46,08
33	"		Charged	"	"
87,68,16	102,66,54	200 — Plant and Equipment — Way and Works	Voted	97,31,39	105,86,63
"	"		Charged	"	"
160,81,77	176,07,50	300 — Plant and Equipment — Mechanical.	Voted	175,36,71	182,24,47
"	"		Charged	"	"
480,54,66	516,01,61	400 — Plant and Equipment — Electrical.	Voted	507,78,63	544,38,61
"	"		Charged	"	"
386,29,89	400,97,06	500 — Plant and Equipment — Signalling	Voted	388,94,20	415,60,21
"	"		Charged	57	"
186,41,08	207,33,55	600 — Plant and Equipment — Telecommunication	Voted	203,56,29	216,52,98
"	"		Charged	"	"
18,34,02	19,59,53	700 — Rental to P&T for Signalling and Telecommunication circuits.	Voted	23,28,97	25,91,25
"	"		Charged	"	"
35,46,83	44,71,02	800 — Other Plant and Equipment — General and Traffic Departments.	Voted	44,23,82	46,34,65
"	"		Charged	"	"
1541,86,82	1660,58,34	Total (100 To 800)	Voted	1634,22,32	1740,34,88
33	"		Charged	57	"
-11,47,41	-11,82,34	Credits or Recoveries		-11,61,89	-11,96,88
1530,39,74	1648,76,00	Net		1622,61,00	1728,38,00

21. The Budget Estimates of Rs. 1740.35 crore under this Demand reflects an increase of Rs. 106.12 crore over the Revised Estimates. This comprises an increase of Rs. 106.13 crore under 'Voted' portion to provide for payment of Dearness Allowance (Rs. 5241.79 lakh), Wages on POH (Rs. 490.26 lakh), Increased Maintenance Activity (Rs. 3635.62 lakh), Contractual Payments (Rs. 642.36 lakh), Transfer of Debit/Credit (Rs. 251.78 lakh); and Other Miscellaneous Factors (Rs. 350.75 lakh); and a decrease of Rs. 0.57 lakh under 'Charged' appropriation due to less payments anticipated in satisfaction of court decrees.

Demand No. 08 — Operating Expenses—Rolling Stock and Equipment

22. The details of the Demand are as under:-

Voted: *Rupees two thousand eight hundred and twenty four crore nineteen lakhs fifty thousand.*

Charged: *Zero*

(Figures in thousands of Rupees)

Actuals 2000-01	Budget Estimate 2001-02	Minor Heads of Demand		Revised Estimate 2001-02	Budget Estimate 2002-03
2,93,60	3,39,97	100 — Steam Locomotives.	Voted	3,05,73	3,16,61
..	..		Charged	..	..
873,58,70	931,32,26	200 — Diesel Locomotives.	Voted	887,42,26	926,68,69
1,48	1,00		Charged	5,80	..
425,56,13	459,15,73	300 — Electric Locomotives.	Voted	436,16,05	456,54,38
73	..		Charged	..	..
63,66,64	63,57,79	400 — Electric Multiple Unit Coaches.	Voted	63,32,55	64,79,59
..	..		Charged	..	..
429,54,12	464,21,66	500 — Carriages and Wagons	Voted	446,59,82	472,40,14
1,46	..		Charged	..	..
779,11,08	809,93,46	600 — Traction (other than Rolling Stock) and General Electrical Services.	Voted	821,56,88	875,06,60
..	..		Charged	..	..
23,16,38	26,57,78	700 — Signaling and Telecommunication.	Voted	25,12,31	25,43,24
..	..		Charged	..	..
30,78	37,72	800 — Ferry services and Rail Cars.	Voted	8,55	10,25
..	..		Charged	..	..
2597,87,43	2758,56,37	Total (100 To 800)	Voted	2683,34,15	2824,19,50
3,67	1,00		Charged	5,80	..
-72,26,74	-58,37,37	Credits or Recoveries		-62,99,95	-63,24,50
2525,64,36	2700,20,00	Net		2620,40,00	2760,95,00

23. The Budget Estimates of Rs. 2824.20 crore under this Demand reflects an increase of Rs. 140.80 crore over the Revised Estimates. This comprises an increase of Rs. 140.85 crore under 'Voted' portion to provide for payment of Dearness Allowance (Rs. 3932.81 lakh), Kilometerage Allowance (Rs. 1094.92 lakh), Cost of Materials (Rs. 3743.04 lakh), Contractual Payments (Rs. 4030.76 lakh), Fuel for other than Traction (Rs. 1156.73 lakh) and Miscellaneous Factors (Rs. 127.09 lakh) and a decrease of Rs. 5.80 lakh under 'Charged' appropriation due to less payments anticipated in satisfaction of court decrees.

Demand No. 09—Operating Expenses—Traffic

24. The details of the Demand are as under:—

Voted: Rupees six thousand seven hundred and seventy nine crore ninety eight lakhs twenty two thousand

Charged: Rupees ten lakhs

(Figures in thousands of Rupees)

Actuals 2000-01	Budget Estimate 2001-02	Minor Heads of Demand		Revised Estimate 2001-02	Budget Estimate 2002-03
21,05,39	21,35,11	100 — Establishment in offices.	Voted	23,42,47	24,28,41
"	"		Charged	"	"
2039,96,11	2142,71,32	200 — Station Operations.	Voted	2119,34,60	2215,26,51
8,61	2,00		Charged	13,24	10,00
152,04,27	165,35,69	300 — Yard Operations.	Voted	150,54,07	157,12,55
"	"		Charged	"	"
5,34,70	5,74,70	400 — Transhipment and Repacking operations.	Voted	4,87,47	4,23,25
"	"		Charged	"	"
694,33,54	731,16,50	500 — Trains operations.	Voted	717,18,71	749,84,06
"	"		Charged	"	"
7,40,94	11,16,03	600 — Safety.	Voted	6,75,72	8,65,44
"	"		Charged	"	"
3077,50,24	3449,94,47	700 — Other miscellaneous expenses.	Voted	3311,99,94	3620,58,00
"	"		Charged	"	"
5997,65,19	6527,43,82	Total (100 To 700)	Voted	6334,12,98	6779,98,22
8,61	2,00		Charged	13,24	10,00
-20,50,52	-17,35,62	Credits or Recoveries		-19,73,22	-19,73,22
5977,23,28	6510,10,00	Net		6314,53,00	6760,35,00

The above estimates do not include the recoveries mentioned below which are adjusted in accounts in reduction of expenditure.

25. The Budget Estimates of Rs. 6780.08 crore under this Demand reflects an increase of Rs. 445.82 crore over the Revised Estimates. This comprises an increase of Rs. 445.85 crore under 'Voted' portion to provide for Dearness Allowance (Rs. 10927.32 lakh), Kilometerage Allowance (Rs. 715.55 lakh), Cost of Materials (Rs. 396.19 lakh), Contractual Payments (Rs. 334.41 lakh), Transfer of Debits/Credits (11237.61 lakh), Lease/Hire charges to Indian Railways Finance Corporation (Rs. 17600.00 lakh), lease charges under OYW & BOLT scheme (Rs. 772.68 lakh) and Other Miscellaneous Factors (Rs. 2601.48 lakh) and a decrease of Rs. 3.24 lakh under 'Charged' appropriation due to less payments anticipated in satisfaction of court decrees.

Demand No. 10 — Operating Expenses—Fuel

26. The details of the Demand are as under:-

Voted: Rupees seven thousand five hundred and thirteen crore forty nine lakhs thirty three Thousand

Charged: Rupees one lakhs

(Figures in thousands of Rupees)

Actuals 2000-01	Budget Estimate 2001-02	Minor Heads of Demand		Revised Estimate 2001-02	Budget Estimate 2002-03
1,50,96	1,35,30	100—Steam Traction	Voted	1,49,63	84,95
27,40	..		Charged	14,61	..
3070,05,46	3590,71,18	200—Diesel Traction	Voted	3361,72,36	3602,54,26
2,00	2,00		Charged	1,00	1,00
3405,59,64	3823,01,57	300—Electric Traction	Voted	3578,47,73	3910,10,12
..	..		Charged	..	..
6477,16,06	7415,08,05	Total (100 to 300)	Voted	6941,69,72	7513,49,33
29,40	2,00		Charged	15,61	1,00
-34,22,49	-29,36,05	Credits or Recoveries		-30,91,33	-30,96,33
6443,22,97	7385,74,00	NET		6910,94,00	7482,54,00

27. The Budget Estimates of Rs. 7513.50 crore under this Demand reflects an increase of Rs. 571.65 crore over the Revised Estimates. This comprise an increase of Rs. 571.80 crore under 'Voted' portion to provide for higher Staff Costs (Rs. 83.65 lakh) and more expenditure on fuel due to increase in traffic/prices of fuel under Diesel Traction (Rs. 23933.57 lakh) and Electric Traction (Rs. 33162.39 lakh); and a decrease of Rs. 14.61 lakh under 'Charged' appropriation due to less payments anticipated in satisfaction of court decrees.

Demand No. 11—Staff Welfare and Amenities

28. The details of the Demand are as under:—

Voted: Rupees one thousand three hundred crore three lakhs fifty six thousand

Charged: Zero

(Figures in thousands of Rupees)

Actuals 2000-01	Budget Estimate 2001-02	Minor Heads of Demand		Revised Estimate 2001-02	Budget Estimate 2002-03
77,03,69	86,09,29	100—Educational facilities	Voted	81,95,62	85,92,99
11	..		Charged	..	..
412,81,99	441,13,11	200—Medical services	Voted	424,25,90	452,93,16
..	40		Charged	82	..
167,94,38	181,18,89	300—Health and Welfare services	Voted	175,47,49	181,31,96
..	20		Charged	..	..
16,61,75	18,43,15	400—Canteena and other staff amenities.	Voted	18,12,75	18,62,00
..	20		Charged	..	..
469,34,65	511,42,44	500—Residential and Welfare Buildings — Repairs and Maintenance	Voted	508,80,87	560,93,91
11	..		Charged	..	..
19,38	30,29	600 — Miscellaneous expenses.	Voted	27,36	29,54
..	..		Charged	..	..
1143,95,74	1238,57,17	Total (100 to 600)	Voted	1208,89,99	1300,03,56
22	80		Charged	82	..
-75,84	-2,65,97	Credits or Recoveries		-3,12,81	-2,55,56
1143,20,12	1235,92,00	NET		1205,78,00	1297,48,00

29. The Budget Estimates of Rs. 1300.04 crore under this Demand reflects an increase of Rs. 91.13 crore over the Revised Estimates comprising an increase of Rs. 91.14 crore under 'Voted' portion to provide for payment of Dearness Allowance (Rs. 3082.37 lakh), Cost of Materials (Rs. 1742.39 lakh), Contractual Payments (Rs. 3494.99 Lakh); and Miscellaneous Factors (Rs. 793.82 lakh); and a decrease of Rs. 0.82 lakh under 'Charged' appropriation due to less payments anticipated in satisfaction of court decrees.

Demand No. 12—Miscellaneous Working Expenses

30. The details of the Demand are as under:-

Voted: Rupees one thousand five hundred and seventy nine crore sixty two lakhs forty six thousand.

Charged: Rupees twenty two crore sixty six lakhs twenty three thousand.

(Figures in thousands of Rupees)

Actuals 2000-01	Budget Estimate 2001-02	Minor Heads of Demand		Revised Estimate 2001-02	Budget Estimate 2002-03
693,34,82	805,47,89	100—Security	Voted	791,92,96	876,38,01
14,85	13,02		Charged	17,27	10,50
154,95,27	184,58,24	200—Compensation Claims	Voted	182,39,68	177,65,65
4,44,67	10,17,88		Charged	9,19,83	9,36,33
11,35,70	10,16,69	300—Workmen's and other compensation claims	Voted	11,23,86	11,69,80
16,14	50,00		Charged	11,00	51,00
217,71,67	226,29,79	400—Catering	Voted	239,94,72	254,02,11
26,73	"		Charged	9,68	"
82,32,12	94,93,74	500—Cost of training of staff.	Voted	91,01,74	97,72,55
"	"		Charged	"	"
110,86,52	106,70,82	600—Other Expenses	Voted	111,34,79	132,95,09
7,49	"		Charged	"	"
38,06	41,18	700—Hospitality and Entertainment Expenses.	Voted	59,33	74,48
"	"		Charged	"	"
1270,94,16	1428,58,35	Total (100 to 700)	Voted	1428,47,08	1551,17,69
5,09,88	10,80,90		Charged	9,57,78	9,97,83
77,65,84	29,63,99	800—Suspense	Voted	34,72,16	28,44,77
1,86,79	9,05,45		Charged	16,88,40	12,68,40
1348,60,00	1458,22,34	Total (100-800)	Voted	1463,19,24	1579,62,46
6,96,67	19,86,35		Charged	26,46,18	22,66,23
-205,79,79	-169,48,69	Credits or Recoveries		-170,96,42	-135,11,69
1149,76,88	1308,60,00	NET		1318,69,00	1467,17,00

The above estimates do not include the recoveries mentioned below which are adjusted in accounts in reduction of expenditure.

31. The Budget Estimates of Rs. 1602.29 crore under this Demand reflect an increase of Rs. 112.63 crore over the Revised Estimates comprising an increase of Rs. 116.43 crore under 'Voted' portion to provide for payment of Dearness Allowance (Rs. 2796.01 lakh), Cost of Materials (Rs. 853.52 lakh), Contractual Payments (Rs. 122.97 lakh), Transfer of Debit/Credit etc. (Rs. 155.78 lakh), Order Police (Rs. 3884.17 lakh), Other Miscellaneous Factors (Rs. 3830.77 lakh); and a decrease of Rs. 379.95 lakh under 'Charged' appropriation due to less payment anticipated in satisfaction of court decrees.

Demand No. 13 — Provident Fund, Pension & Other Retirement Benefits

32. The details of the Demand are as under:-

Voted: Rupees six thousand and twenty seven crore eighty nine lakhs sixty one thousand.

Charged: Rupees one crore two lakhs ninety two thousand.

(In thousands of Rupees)

Actuals 2000-01	Budget Estimate 2001-02	Minor Heads of Demand		Revised Estimate 2001-02	Budget Estimate 2002-03
1	2	3		4	5
2818,06,95	3364,45,45	100—Superannuation and	Voted	2939,32,58	3205,07,65
64	4	Retiring Pension	Charged	4	4
676,47,52	752,24,92	200—Commuted Pension	Voted	806,10,61	855,26,61
			Charged		
81,38	1,23,82	300—Ex-gratia Pension	Voted	2,24,16	2,88,33
			Charged		
811,24,38	874,14,94	400—Family Pension	Voted	860,05,47	897,09,08
42,06	47,80		Charged	48,85	48,80
671,63,66	729,73,96	500—Death-cum-retirement	Voted	834,21,14	897,58,74
20	50	gratuity	Charged	72	
127,51,41	81,24,36	600—Other allowance, other	Voted	167,23,22	146,00,20
62,87	42,58	Pension and other expenses	Charged	55,42	54,08
5105,75,30	5803,07,45	Total (100-600)	Voted	5609,17,18	6003,90,61
1,05,77	90,92		Charged	1,05,03	1,02,92
17,23,06	18,50,75	700—Gratuities and Special	Voted	20,42,30	23,93,84
		Contribution to Provident Fund	Charged		

1	2	3	4	5
3,66	4,05	800 — Contributions to Provident Fund	Voted Charged	4,50 5,16
17,26,72	18,54,80	Total (700 & 800)	Voted Charged	20,46,80 23,99,00
5123,02,02 1,05,77	5821,62,25 90,92	Total (100 to 800)	Voted Charged	5629,63,98 6027,89,61 1,05,03 1,02,92
The above estimates do not include the recoveries mentioned below which are adjusted in accounts in reduction of expenditure.				
-4,80,29	-3,98,37	Credits or Recoveries — Pension		-10,22,21 -4,98,23
-18,03	-10,80	Total Credits — Provident Fund And Others		-11,80 -15,30
-4,98,32	-4,09,17	Total-Credits Or Recoveries		-10,34,01 -5,13,53
-5102,04,84	-5800,00,00	Deduct Amount met from Pension Fund		-5600,00,00 -6000,00,00
17,03,26	18,44,00	NET		20,35,00 23,79,00

33. The Budget Estimates of Rs. 6028.93 crore are higher than the Revised Estimates by Rs. 398.24 crore comprising of an increase of Rs. 398.26 crore under 'Voted' portion and a reduction of Rs. 2.11 lakh under 'Charged' appropriation. The increase under 'Voted' portion is anticipated due to increase in the number of pensioners as also higher Dearness relief on pension. The reduction under 'Charged' appropriation is due to less payments arising out of court decrees.

Demand No. 14 —Appropriation to Funds

34. The details of the Demand are as under:-

Voted : Rupees nine thousand eight hundred fifty eight crore, sixteen lakh forty six thousand

(In thousands of Rupees)

Actuals 2000-01	Budget Estimate 2001-02	Minor Heads of Demand	Revised Estimate 2001-02	Budget Estimate 2002-03
2301,07,00	2704,00,00	Appropriation to Railway Depreciation Reserve Fund	780,44,00	1978,00,00
4841,85,00	5800,00,00	Appropriation to Railway Pension Fund	5600,00,00	6000,00,00
732,11,00	511,00,00	Appropriation to Railway Development Fund	452,00,00	550,00,00
"	"	Appropriation to Special Railway Safety Fund	400,00,00	860,00,00
"	302,76,67	Appropriation to Railway Safety Fund	302,73,46	452,73,46
31,47,91	17,43,00	Appropriation to Capital Fund-Railways	17,43,00	17,43,00
7906,50,91	9335,19,67	Total	8552,60,46	9858,16,46

35. This Demand is for appropriation from Revenue to the various Railway Funds as under:—

- (a) Appropriation to Depreciation Reserve Fund is being made in accordance with the recommendations of the Railway Convention Committee (R.C.C.).
 - (b) Appropriation to Pension Fund is being made having regard to the recommendation of the RCC. In assessment of this amount, due consideration is given to such factors as the estimated higher withdrawals from the Fund, liberalisation of Pension benefits, etc.
 - (c) Development Fund is credited with such appropriations out of the Revenue excess after payment of dividend as may be voted by the Parliament.
 - (d) Pursuant to recommendation of the Railway Safety Review Committee (1998), a Special Railway Safety Fund (SRSF) has been set up to wipe out the arrears of replacement on the Railways in a fixed time schedule. The fund is to be financed through railway revenues including levy of safety surcharge on passenger fares and the capital support to be given by the General Revenues. The appropriation from railway revenues is shown in this demand whereas from General Revenues is provided in Demand No. 16.
 - (e) As recommended by Railway Convention Committee (1999), a new 'Railway Safety Fund' has been created w.e.f. 01.04.2001 for financing works relating to conversion of unmanned level crossings and for construction of Railway over/under bridges at busy level crossings.
 - (f) Appropriation to the Capital Fund is being made keeping in view the Plan requirement for building up the Railway infrastructure out of the internal resources.
-

Demand No. 15—Dividend to General Revenues, Repayment of Loans taken from General Revenues and amortization of over capitalization

36. The details of the Demand are as under:—

Voted: Rupees two thousand six hundred ninety six crore fifty three lakh and fifty four thousand

(In thousands of Rupees)

Actuals 2000-01	Budget Estimate 2001-02	Minor Heads & Sub Head of Demand	Revised Estimate 2001-02	Budget Estimate 2002-03
307,64,00	1352,00,00	Dividend to General Revenues	1367,87,54	2679,10,54
—	—	Repayment of Deferred Dividend liability in respect of the period 1978-79 onwards	—	—
—	—	Repayment of loans for Development Fund taken from General Revenues and interest thereon	—	—
8,71,50	—	Repayment of loan for Capital fund taken from General Revenues and interest thereon	—	—
17,43,00	17,43,00	Payment towards Amortization of Over- Capitalization	—	—
316,35,50	1352,00,00	Total	1385,30,54	2696,53,54
-8,71,50	—	Credit or Recoveries	-17,43,00	-17,43,00
307,64,00	1352,00,00	Net	1367,87,54	2679,10,54

37. The rate of dividend for 2002-03 has been fixed at 7.0 percent of the dividend paying capital invested in the Railways irrespective of the year of investment (including 1.5 percent in lieu of Passenger Fare Tax etc. on the capital invested upto 31st March, 1964).

38. As regards the Budget Estimates, 2002-03, estimates of dividend payment and subsidy from General Revenues have been worked out on the basis of the recommendations of the RCC (1999) for the year 2001-02 made in their Second Report adopted by the Lok Sabha on 23.08.2001.

39. The total amount of dividend payable to General Revenues for the year 2002-03 works out to Rs. 2679.11 crore involving an increase of Rs. 1311.23 crore over the Revised Estimate for the current year. This is mainly due to increase in the Capital-at-charge.

40. The Railway Budget for the year 2002-03 in brief is as under:—

Budget at Glance

(Rs. in crore)

Actual 2000-01	Budget 2001-02	Description	Revised 2001-02	Actual (2001-02) Upto Dec. 01	Budget 2002-03
34880.48	39939.00	(a) Gross Traffic Receipts	37720.00	26471.69	41538.00
27534.42	30190.00	(b) Ordinary Working Expenses	29100.00	21651.54	31160.00
2301.07	2704.00	(c) Appropriation to Depreciation Reserve Fund	1780.44	2103.00	1978.00
4831.85	5790.00	(d) Appropriation to Pension Fund	5590.00	4491.04	5990.00
34667.34	38684.00	(e) Total Working Expenses (b)+(c)+(d)	36470.44	28245.58	39128.00
213.14	1255.00	(f) Net Traffic Receipts (a) — (e)	1249.56	-1773.89	2410.00
858.09	928.20	(g) Net Miscellaneous Receipts	890.48	—	1289.27
1071.23	2183.20	(h) Net Revenue (f)+(g)	2140.04	—	3699.27
2130.94	2352.00	(i) Dividend Payable to General Revenues	2367.88	—	2679.11
182330	1000.00	(j) Less Dividend deferred \$	1000.00	—	—
307.64	1352.00	(k) Net Dividend payment to General Revenues	1367.88	—	2679.11
763.59	831.20	(l) Excess/Shortfall (h) — (k)	772.16	—	1020.16
732.11	511.00	(m) Appropriation to Development Fund	452.00	—	550.00
—	302.77	(n) Appropriation to Railway Safety Fund	302.73	—	452.73
31.48	17.43	(o) Appropriation to Capital Fund — Railways	17.43	—	17.43
98.3%	98.8%	(p) Operating Ratio	96.6%	—	94.4%
2.5%	4.7%	(q) Ratio of Net Revenue to Capital-at-Charge and investment from Capital Fund	4.5%	—	7.3%

\$ Transferred to Deferred Dividend Liability Account.

Freight Traffic

41. (a) 2000-01

The traffic plan envisaged lifting of 475.00 million tonnes of originating revenue freight traffic and traffic output of 313 billion tonnes kilometres (BTKM) in 2000-01 at the Revised Estimates stage. The actual performance during 2000-01 has been 473.50 million tonnes of originating traffic which is 17.08 million tonnes more than the performance in 1999-2000. The traffic output was 312 BTKM as compared to 305 BTKM in 1999-2000. The earnings at Rs. 23,305 crore registered an increase of 5.6% over 1999-2000.

(b) 2001-2002

The target of 500 million tonnes originally fixed for the year 2001-2002 has been scaled down to 489 MT in view of the recessionary trend in the economy. However, due to an improvement in the average lead, freight earnings have been estimated at Rs. 24,610 crore with a traffic output of 323 BTKMs. However, during the evidence, the Chairman, Railway Board informed the Committee that freight traffic is likely to be 491 MT.

(c) 2002-2003

The targets and the projected level of revenue earning traffic for the year 2002-2003 *vis-a-vis* 2001-2002 are as under:—

	2001-02 (RE)	2002-03 (BE)
(a) For originating loading	489 MT	510 MT
(b) Lead	661	655
(c) Tonnes Kms.	323 BTKMs	334 BTKMs
(d) Earnings	Rs. 24,610 cr	Rs. 26118 cr.

Passenger Traffic

42. (a) 2000-01

Passenger journeys at 4,833 million in 2000-01 increased by 5.41% from 4,585 million in the previous year. Passenger kms. also increased by 6% from 431 billion in 1999-00 to 457 billion in 2000-01. Earnings from passengers were Rs. 10483.16 crore, registering an increase of Rs. 927.54 crore (9.71%) over the previous year.

(b) 2001-02

In the first six months (April-September) of 2001-02, the number of originating passengers at 2580 million (Provl.) increased by 198 million as compared to the corresponding period of 2000-01. Passenger earnings at Rs. 5415.43 crore increased by Rs. 389.32 crore (7.75%) over Rs. 5026.11 crore of the corresponding period of the previous year.

(c) 2002-03

The Budget Estimates for the year 2002-03 for Passenger journeys have been projected at 5187.78 millions which is 498,426 millions passenger kms. Passenger earnings have been estimated at Rs. 13450 crore.

Fare & Freight Rates

43. The details of the proposed tariff adjustments for the year 2002-03 are as under:—

- (i) No across-the-board increase in freight rates has been announced.
- (ii) The freight structure for the Base Class-100 has been rationalised.
- (iii) Existing 25 classes with suffixed A,B,C,K,M & X are proposed to be abolished.
- (iv) In the revised structure, there will be 32 percentage classes in relation to the Base Class-100-Class-90 will be lowest class and Class-300 will be the highest class. The array of classes will be as under:—

90	110	130	150	170	190	230	270
95	115	135	155	175	200	240	280
100	120	140	160	180	210	250	290
105	125	145	165	185	220	260	300

Passenger Fares

44. The fare structure of Second Class (Mail/Express) has been rationalised. The minimum fare for Second Class (Mail/Express) is proposed to be increased from Rs. 15.00 to Rs. 16.00 up to a distance of 15 Kilometres. The fare structure of Second Class (Ordinary) has also been rationalised. The minimum fare for the Second Class (Ordinary) is proposed to be increased from Rs. 3.00 to Rs. 4.00 upto a distance of 10 kilometres. Maximum increase in fares for any distance upto 100 kilometres would be Rs. 3.00 per ticket. In the rationalised structure, fares for distances beyond 100 kilometres are proposed to be fixed at 55 per cent of Second Class (Mail/Express) fares. The Second Class (Mail/Express) would be the Base Class. Indexing the fares of Second Class (Mail/Express) at 100, the fares of other six classes of Mail/Express services are rationalized as per the proposed relativity index given below:—

Class of Travel	Relativity Index
Second Class (Mail/Express)	100 (One hundred)
Sleeper Class	160 (One hundred and sixty)
AC Chair Car	350 (Three hundred and fifty)
AC 3-Tier	450 (Four hundred and fifty)
First Class	525 (Five hundred and twenty five)
AC 2-Tier	720 (Seven hundred and twenty)
AC First Class	1400 (Fourteen hundred)

45. Similarly, for ordinary passenger services, indexing the fares of Second Class (Ordinary) at 100, the fares of other two classes are rationalized as per the proposed relativity index given below:—

Class of Travel	Relativity Index
Second Class (Ordinary)	100 (One hundred)
Sleeper Class (Ordinary)	160 (One hundred and sixty)
First Class (Ordinary)	525 (Five hundred and sixty)

46. The revision in fares as proposed in paras 44 and 45 above would, however, be subject to the condition that existing fares shall be retained without any change, wherever fares get reduced due to application of the revised relativity index.

Rajdhani/Shatabdi Express Trains

47. There will be no change in the existing fare structure for Rajdhani Express and Shatabdi Express trains.

Season Tickets

48. The Second Class Monthly Season Ticket fares are proposed to be fixed equivalent to the fares for 15 single journeys by Second Class (Ordinary), uniformly for all distances.

First Class Season Tickets would continue to be charged at 4 (four) times the Second Class Season Ticket fares.

Quarterly Season Tickets would continue to be charged at 2.7 times the Monthly Season Ticket fares.

Parcel and Luggage Rates

49. There would be no change in the existing rates for booking of Parcels and luggage, including Newspapers and Magazines.

Traffic Receipts

50. The comparative details of the actuals 2000-01, Budget & Revised Estimates 2001-02 and Budget Estimates 2002-03 of Gross Traffic Receipts are given below:—

(Rupees in Crores)

Details Budget	Actuals 1999-2000	Revised 2000-01	Actuals 2000-01	Budget 2001-02	Revised 2001-02	Budget 2002-03
Passenger Upper Classes	1887.00	2062.25	2162.23	2371.76	2564.05	3318.22
Passenger Second Class	7694.07	8387.75	8352.54	9015.24	8835.95	10131.78
Total Passenger Earnings	9581.07	10450.00	10515.07	11387.00	11400.00	13450.00
Other Coaching Earnings	825.31	781.00	764.16	850.00	860.00	920.00
Goods Earnings	22060.99	23486.00	23305.10	25235.00	24610.00	26118.00
Sundry Other Earnings	657.34	800.00	703.25	1717.00	900.00	1000.00
Total Earnings	33124.71	35517.00	35287.58	39189.00	37770.00	41488.00
Suspense	-185.90	-50.00	-407.10	750.00	-50.00	50.00
Gross Traffic Receipts	32938.81	35467.00	34880.48	39939.00	37720.00	41538.00

51. The Budget Estimates of Passenger Earnings for 2001-02 of Rs. 11387.00 crore is increased by Rs 13.00 crore and the Revised Estimates placed at Rs 11400.00 crore. Passenger Earnings for 2002-03 have been estimated at Rs. 13450.00 crore based upon an anticipated growth of suburban and non-suburban passenger traffic and proposed increase in passenger fares anticipated to yield additional earnings of Rs. 910 crore.

52. Taking into account the trend of actual earnings during the course of the year 2001-02, the Revised Estimates of earnings from Other Coaching Traffic is fixed at Rs. 860.00 crore *i.e.*, Rs. 10.00 crore more than the Budget estimated for the year. Other Coaching Earnings for 2002-03 are estimated at Rs. 920.00 crore *i.e.*, Rs. 60.00 crore above the Revised Estimates of 2001-02 based upon the anticipated growth in Parcel Traffic.

53. Freight loading in the current year suffered a setback due to downtrend in the economy. As such, the target of freight loading in the Revised Estimates has been scale down to 489 million tonnes as against 500 million tonnes envisaged in the Budget Estimates. The Revised traffic output is estimated to fetch an earning of Rs. 24610.00 crore which is Rs. 625 crore less than the Budget Estimates of Rs. 25235.00 crore. The goods earnings for 2002-03 have been placed at Rs. 26118.00 crore assuming an additional 21 million tonnes originating revenue earnings freight traffic over the 489 million tonnes adopted in the Revised Estimates for 2001-02 and anticipating additional earnings of Rs. 450 crore on account of the proposed rationalization of the freight structure.

54. Earnings of Rs. 700 crore budgeted from non-traditional source of leasing of right of way for Optic Fiber Cables are unlikely to materialize in the current year. Keeping in view this fact and trend of earnings from other sources, the Revised Estimates for 2001-02 is fixed at Rs. 900.00 crore *i.e.* Rs. 817.00 crore less than the Budget Estimates for the year. Sundry Other Earnings have been assessed at Rs. 1000.00 crore in 2002-03 anticipating 11% increase over the Revised Estimates, 2001-02.

55. Keeping in view the non-realization of Railway outstandings from the Power Houses and State Electricity Boards, a further accretion of Rs. 50.00 crore to the 'Suspense' which represents unrealized traffic earnings, has been estimated in the Revised Estimates. In the Budget Estimates, 2001-02 as against a clearance of Rs. 750.00 crore anticipated in Budget Estimates 2002-03 a clearance under this head has been kept at the level of Rs. 50.00 crore.

56. The aggregate effect of the above mentioned factors is that the Gross Traffic Receipts for 2001-02 have been revised to Rs. 37720.00 crore against the Budget Estimates of Rs. 39939.00 crore. The Budget Estimates of Gross Traffic Receipts for 2002-03 works out to Rs. 41538.00 crore.

57. When asked about the factors which led to downward revision of the gross traffic receipts at revised stage for the current year (2001-02), the Ministry of Railways, in their written reply have stated as under:—

“Revised Estimates for the year are framed keeping in view the trend prevailing upto November (Actuals) and December (Approximates), historical trends, projection made by zonal railways, general economic outlook etc.

The trend to end of December, 2001 (Approximates) under passenger traffic indicated a marginal shortfall against the proportionate target. However, taking into account higher earnings projected by some zonal railways, the revised estimates of Passenger earnings have been placed at Rs. 11,400 crore, marginally higher than the budget estimates. The other coaching earnings have been estimated at Rs. 860 crore anticipating marginal increase in parcel traffic and also increased military movement across the country.

As far as freight earnings are concerned, the budget estimates were framed assuming an originating freight loading of 500 mt. This was based on the economic growth anticipated in 2001-02. The average lead expected was 654 Kms. and with the proposed increase in freight rate which was estimated to fetch additional Rs. 500 crore, the freight earnings were fixed at Rs. 25,235 crore.

However, the first nine months of the year witnessed a recessionary trend, with the out put in all core sectors of the economy showing a considerable drop. During the period April to December, 2001, the provisional growth in the six infrastructure industries was only 2% against a growth of 6.8% achieved during the corresponding period last year. Since the demand for freight transportation is derived one, the freight offered to Railways was, therefore, considerably less than was budgeted. Taking note of the actual position to end of November, 2001 and approximates of December, 2001, it was anticipated that the Railways may end the year with a loading of 489 mt. Accordingly, the freight earnings in the revised estimates have been scaled down to Rs. 24610 crore which are Rs. 625 crore short of the budgeted target.

The target for Sundry other Earnings has been scaled down to Rs. 900 crore mainly due to non-materialisation of earnings from leasing of 'right of way' by laying Optic Fibre Cable network through RailTel Corporation (RCIL) (budgeted at Rs. 700 crore) and shortfall in earnings from commercial utilization of railway land and air space (budgeted at Rs. 200 crore) and commercial publicity on rolling stock and station buildings (budgeted at Rs. 100 crore). The Railways traffic outstandings on 31st March, 2001 was Rs. 2069 crore, almost 80% of which was due from State Electricity Boards and Power Houses. Based on detailed discussion with the Ministry of Power and resultant expectations regarding clearance of at least a large part of the outstanding, a clearance target of Rs. 750 crore was set for the year. However, the outstanding has risen to Rs. 3015 crores as on 31st December, 2001. Though a substantial portion of this accretion is expected to be cleared by the end of March 2001, in view of the trend, accretion of Rs.50 crore under Traffic Suspense has been projected in the Revised Estimates, 2001-02.

As a result of the revision in the estimates of the components of the Gross Traffic Receipts detailed above, the Gross Traffic Receipts for 2001-02 have been estimated at Rs. 37720 crore in the Revised Estimates which are Rs. 2219 crore less than the Budget Estimates."

58. In spite of the fact that the gross traffic receipts were revised downward at the revised stage for the current year (2001-02), the gross traffic receipts for the year 2002-03 have been projected at Rs. 41538.00 crore which is higher by Rs. 3818.00 crore than the Revised Estimates for the current year. When asked about the factors which prompted the Railways for higher projection of gross traffic receipts and whether they would be able to achieve this target, the Ministry of Railways, in their written reply, have stated as under:—

"The Gross Traffic Receipts for 2002-03 have been assessed based on the following factors :

Assuming a growth of around 4% in originating passengers with an average lead of 96 Kms. and with the introduction of new services, the passenger earnings for 2002-03 have been estimated at Rs. 12,540 crore. Taking into account the additional earnings of Rs. 910 crore anticipated from the proposed rationalisation of fares, the budget estimates, 2002-03 of passenger earnings stand at Rs. 13,450 crore which is Rs. 2,050 crore higher than the Revised Estimates for the current year.

Freight earnings have been estimated based on likely loading, lead and rationalisation of the freight structure. As against 489 mt. likely to be achieved in 2001-02, a loading target of 510 mt has been fixed for 2002-03, keeping in view the likely revival of the economy and after consultations with users. The average lead adopted is 655 kms. With the proposed rationalisation of the freight structure, estimated to fetch additional Rs. 450 crore, the freight earnings for 2002-03 have been kept at Rs. 26,118 crore as against Rs. 24,610 crore estimated for the current year.

Assuming a growth of 7% and 11% under Other Coaching and Sundry earnings respectively, the Budget Estimates, 2002-03 in these segments have been placed at Rs. 920 crore and Rs.1000 crore respectively.

The target of clearance under 'Traffic Suspense' has been kept at a realistic Rs. 50 crore only in 2002-03.

With projections as detailed above in its various components, the Gross Traffic Receipts for 2002-03 stand at Rs. 41,538 crore as against Rs. 37,720 crore in the Revised Estimates for 2001-02.

To achieve the targeted freight traffic, Railways have taken and will continue to take many steps which include comprehensive delegation of powers to zonal and divisional railway managers to ensure speedier decision making and devising of appropriate marketing strategies at local levels to capture additional traffic; Volume Discount Scheme for certain commodities; two points rake loading for nominated stations; guaranteed transit time service *etc.* are some of the additional measures. Besides, Railways are also working for improve the customer services by setting up of private terminals, facilitating warehousing at existing Railway terminals with private participation. One pilot project of private terminal near Gurgaon has been set up and another project of warehouse facility at Whitefield in Bangalore is being undertaken. Customer interface with passengers is also being improved with the help of information technology. With the anticipated economic growth and sustained efforts being taken, Railways are hopeful of achieving these targets."

Miscellaneous Transactions

59. The details of Miscellaneous Transactions for the year 2000-01 (Actuals); 2001-02 (Budget & Revised) and 2002-03 (Budget) are as under:—

(Rupees in Crores)

Details	Actuals 2000-01	Budget 2001-02	Revised 2001-02	Budget 2002-03
Receipts				
(i) Receipts from Subsidised Companies	0.11	"	"	"
(ii) Railway Recruitment Boards	7.95	3.40	5.64	5.90
(iii) Other Misc. Receipts	10.15	8.89	8.36	8.81
(iv) Contribution from General Revenues for Railway Safety Works	300.00	300.00	399.00	450.00
(v) Subsidy from General Revenues towards dividend relief and	812.26	912.91	965.82	1128.94
(vi) other concessions				
Total	1130.47	1225.20	1579.82	2453.65
Expenses				
(i) Payment to worked lines	0.27	0.28	0.69	0.72
(ii) Subsidy	0.01	0.01	0.01	0.01
(iii) Surveys	9.10	10.35	7.82	7.44
(iv) Misc. Railway Expenditure	217.74	241.36	231.82	251.21
(v) Open Line Works Revenue	35.26	35.00	39.00	35.00
(vi) Appropriation to Special Railway Safety Fund	"	"	400.00	860.00
(vii) Appropriation to Pension Fund	10.00	10.00	10.00	10.00
Total	272.38	297.00	689.34	1164.38
Net Miscellaneous Receipts	858.09	928.20	890.48	1289.27

(a) 2001-02

Net Miscellaneous Receipts in the Revised Estimates have been placed at Rs. 890.48 crore against Budget Estimates of Rs. 928.20 crore.

(b) 2002-03

The Budget Estimates for 2002-03 of Net Miscellaneous Receipts is estimated at Rs. 1289.27 crore which provides for an increase of Rs. 398.79 crore over the Revised Estimates of 2001-02.

Unrealised Receipts (Suspense)

60. The Minister of Railways in his Budget speech has stated that with an accretion of Rs. 407 crore to the Railways' dues in traffic suspense, instead of budgeted clearance of Rs. 500 crore, the gross traffic receipts of the Railways fell short of the budget estimates by Rs. 1649 crore. When asked about the reasons of the fresh accretion of Rs. 407 crore to the traffic suspense, the Ministry of Railways, in their written reply have stated as under:—

(i) In the year 2000-2001 there was net accretion of Rs. 406.83 crore in Traffic Suspense. This can be seen as under:—

	(Rs. in Crore)
Closing Balance March 2000	1662.17
Accretion in 2000-2001	406.83
Closing Balance March 2001	2069.00

The reason for accretion in Traffic Suspense during the year 2000-2001 was non-payment of complete dues mainly by the State Electricity Boards/Power Houses. Net accretion in the dues of State Electricity Boards/Power Houses was Rs. 354.87 crore. During 2000-2001, SEB/PHs made payment to the extent of only Rs. 4842.50 crore against the payable dues of Rs. 5197.37 crore. This accretion was contributed mainly

by the following State Electricity Boards/Power Houses:—

(Rs. in Crore)

State Electricity Boards/ Power Houses	Closing Balance 3/2000	Net Accretion in 2000-2001	Closing Balance 3/2001
Gujarat SEB	10.42	181.94	192.36
Punjab SEB	59.63	133.74	193.37
Rajasthan SEB	24.61	58.21	82.82
Delhi Vidyut Board	114.02	23.50	137.52
Tamil Nadu SEB	6.04	11.37	17.41
Andhra Pradesh SEB	1.92	6.46	8.38
West Bengal SEB	2.26	5.95	8.21
Assam SEB	0.00	1.59	1.59
Madhya Pradesh SEB	1.39	0.44	1.83
Private P.H — Sabarmati	0.00	0.01	0.01
Offset due to clearance by certain SEBs/PHs	1085.90	-68.34	1017.56
Total	1306.19	354.87	1661.06

In addition to above, an accretion of Rs. 51.96 crore was made due to non-payment of dues by the parties other than SEBs/PHs. This includes Government Departments (Rs. 24.03 crore) and Other Parties (Rs. 27.93 crore)."

61. When asked about the efforts made by the Railways for realisation of dues, the Ministry of Railways have further stated as under:—

"The efforts made by the Railways to recover the dues during the last two years are as under:—

- (1) State Electricity Boards and Power Houses which fail to observe the conditions of 'Prepayment of Freight' as also payment of current freight are closely monitored by the Zonal Railways and regular meetings are held with senior officials of State Electricity Boards and Power Houses.

- (2) Pursuant of Government's decision on 07.02.1997 that the outstanding dues from State Electricity Boards and Power Houses as on 31.12.1996 would be adjusted from the Central Plan Assistance of the State Governments subject to certain limits, an amount of Rs. 144.90 crore has been received by the Railways till date.
- (3) Adjustment of outstanding amounts from State Electricity Boards against traction bills in respect of some of the State Electricity Boards is being done.
- (4) Ministry of Railways had approached Minister of Power, Ministry of Finance and Govt. of NCT, Delhi at various levels for clearance of outstanding dues of Badarpur Thermal Power Station and Delhi Vidyut Board. Based on indication given by the Ministry of Power, target of clearance of Rs. 500 crore was provided for in the Budget Estimates 2000-2001. Ministry of Railways had also approached Department of Posts, Ministry of Communication for recovery of dues from Postal Department.
- (5) The Chief Ministers were addressed for their intervention in the matter of clearance of outstanding dues to the Railways from the Electricity Boards.
- (6) Officers at Senior level and Inspectors periodically contact major defaulting parties."

Working Expenses

62. The comparative details of the actuals of the year 2000-01, Budget and Revised Estimates 2001-02 and Budget Estimates 2002-03 of Working Expenses are given below:—

(Rupees in Crores)

Demands No. and Nomenclature	Actuals 1999-00	Revised 2000-01	Actuals 2000-01	Budget 2001-02	Revised 2001-02	Budget 2002-03
1	2	3	4	5	6	7
General Superintendence and Services on Railways	1394.58	1436.13	1435.71	1518.80	1494.24	1563.47
Repairs and Maintenance of Permanent way and Works	2757.85	2867.74	2886.99	2983.28	2975.18	3156.59

1	2	3	4	5	6	7
Repairs and Maintenance of Motive Power	1558.62	1567.20	1579.91	1716.19	1629.45	1743.72
Repairs and Maintenance of Carriages and Wagons	2913.07	3038.54	3019.76	3310.98	3146.58	3333.80
Repairs and Maintenance of Plant and Equipment	1497.81	1554.34	1541.87	1660.58	1634.23	1740.35
Operating Expenses—Rolling Stock and Equipment	2518.62	2618.92	2597.91	2758.57	2683.40	2824.20
Operating Expenses—Traffic	5391.90	6057.33	5997.73	6527.46	6334.26	6780.08
Operating Expenses—Fuel	5654.66	6580.11	6477.45	7415.10	6941.85	7513.50
Staff Welfare and Amenities	1104.50	1136.46	1143.96	1238.58	1208.91	1300.04
Miscellaneous Working Expenses	1296.32	1393.17	1355.56	1478.09	1489.65	1602.29
Provident Fund, Pension and other Retirement Benefits	4041.18	5188.02	5124.08	5822.53	5630.69	6028.93
Total	30129.11	33437.96	33160.93	36430.16	35168.44	37586.97
Credit or Recoveries	-462.55	-455.96	-524.46	-440.16	-468.44	-426.97
Deduct—Amount recouped from funds	-4021.63	-5167.00	-5102.05	-5800.00	5600.00	6000.00
Net	25644.93	27815.00	27534.42	30190.00	29100.00	31160.00
Appropriation to D.R.F.	1670.00	2170.75	2301.07	2704.00	1780.44	1978.00
Appropriation to Pension Fund	3529.06	4951.85	4831.85	5790.00	5590.00	5990.00

63. The sanctioned Budget Grant for 2001-02 for Ordinary Working Expenses was Rs 36430.16 crore (Gross). The Revised Estimates of Rs. 35168.44 crore (Gross) is less than the Budget Grant by Rs. 1261.72 crore. There has been savings in all the demands except Demand No. 12. Credits in reduction of expenditure are estimated at Rs. 468.44 crore *i.e.* Rs. 28.28 crore more than the Budget. The amount recouped from Pension Fund has been reduced to Rs. 5600.00 crore over the Budget Grant of Rs. 5800.00 crore. The Revised Estimates of Net Working Expenses has, thus, been kept at Rs. 29100.00 crore, Rs. 1090.00 crore less than the Budget. Reduction of Rs. 1261.72 crore in gross expenditure comprises of a reduction of Rs. 1268.87 crore under 'Voted' portion, and an increase of Rs. 714.98 lakh under 'Charged' appropriation which is on account of more payments anticipated in satisfaction of court decrees.

64. As regards, the other items making up total working Expenses in Revised Estimates, the contribution to Depreciation Reserve Fund has been kept at Rs. 1780.44 crore *i.e.* Rs. 923.56 crore less than the Budget level, whereas appropriation to Pension Fund has been decreased to Rs. 5590.00 crore from the Budget level of Rs. 5790.00 crore.

Land Management

65. The Railways own about 4.23 lakh hectares of land which is mainly used for locating service and operational infrastructure such as track, stations, workshops, staff colonies etc. The break-up of the land is as follows:—

	Area (In Lac Hectares)
Track and structures including workshops, stations, colonies etc.	3.37
Afforestation	0.48
Grow More Food Scheme	0.08
Commercial licensing	0.05
Other miscellaneous uses like pisciculture	0.05
Vacant Land	0.18
Under Encroachment	0.02

66. The above figures show that there is an increase of 0.03 lakh hectares *i.e.* Railway land. While stating the factual position in this regard, the Ministry of Railways have submitted as under:—

“Railways have by and large updated their land records. The total number of land plans involved are 49965, out of which 48750 Nos. are available and balance are being finalised.

Earlier the total land was being shown as 4.20 lakh hectares, which after our efforts to update data has come to 4.23 lakh hectares. The 0.03 lakh hectare of land pointed out have not been acquired recently. This increase is largely due to updation of data. There was some land acquisition done in recent years. These are for new line projects largely. At present 83 new line projects are in different stages of progress for which process of land acquisition is in different stages. Few of such new line projects are Jammu-Udhampur-Srinagar-Baramulla; Ahmednagar-Beed-Parli-Vaiznath; Agra-Etawah etc. With such land acquisition, data changes slightly.”

67. Clarifying their position in regard to the quantum of land under encroachment *i.e.* 0.02 lakh hectares which always remains the same, the Ministry of Railways have stated as under:—

“When the data regarding area of Railway land under encroachment was submitted in the unit of ‘lakh hectare’ the figure was shown as 0.02. However, in terms of hectare the area of railway land under encroachment has decreased from 2455 hectares as on December, 1999 to 2162 hectares now. Position of encroachment is now being monitored on monthly basis in Board’s office. All Railways have issued Joint Procedure Order to ensure more effective coordination amongst concerned deptts. To detect, prevent and remove encroachments and fix accountability for fresh encroachments.”

Revenue Leakages

68. There is a general feeling that rampant corruption is prevalent in most of the fields such as the Passenger Booking; Goods, Parcel, Luggage Booking; Purchase of Materials from trade; Recruitment; Disposal of Scrap; Overpayment to Staff and Works executed through agencies, etc. When asked about the steps taken/being taken to plug this menace, the Ministry of Railways have stated as under:—

- (i) Bridging the gap between demand and supply by augmentation of the capacity of Trains.
- (ii) Intensifying checks at reservation offices, booking counters, parcel and goods booking offices and other such offices which deal with the public not only by Vigilance Organisation but also by the senior Officers of the concerned Departments.
- (iii) Keeping a watch on the working of officials of doubtful integrity.
- (iv) System improvement and procedure amendments to improve transparency and reducing possibility of corruption/leakage of revenue.
- (v) Investigation of complaints alleging corruption/leakage of revenue.
- (vi) Stringent exemplary action against those found guilty of corruption.

- (vii) Educating and training of senior officers in the matter of tenders and contracts.
- (viii) Empowerment of Railway Protection Force for taking action against the touts and unauthorised Travel Agents who try to corner accommodation in trains. This being a legal matter may take some time and till then, a greater liaison with the Civil Police administration.
- (ix) Implementation of rotational transfers of officials posted on sensitive seats to prevent the staff from developing unholy nexus.
- (x) Delegation of more powers to field organisations to enable speedy decisions as delay breeds corruption.
- (xi) Manning the Railway Recruitment Boards by officials of proven integrity.
- (xii) Seeking assistance of the public not to succumb their desire of achieving favours by greasing palms of corrupt staff and instead bringing up such matters to the notice of Vigilance Organisations of Indian Railways.

Besides, the Ministry of Railways have identified following three thrust areas for intensive vigilance scrutiny in order to prevent possible leakages of revenue during the year 2001:—

- (i) Freight underloading
- (ii) Scrap disposal
- (iii) Fraudulent payment to staff

Intensified checks are being made in these areas accordingly.”

Railways Share in Transport

69. In relation to roads, the share of Railways in the movement of goods and passengers has declined significantly over the years. In 1950-51, the Railways carried 89 per cent of goods traffic. This declined to 40 per cent in 1996-97. Similarly, Railways carried 80 per cent of passenger traffic in 1950-51 which declined sharply to 20 per cent in 1996-97.

70. When asked about the strategy of the Railways to augment and strengthen their capacity to optimise their market share in respect of freight and passenger traffic *vis-a-vis* road transport, the Ministry of Railways in their written replies have stated as under:—

“Although definite data in respect of railway’s share in transportation is not available, it is a fact that the railways market share has declined over the years. However, in absolute terms, freight traffic carried by the Railways has registered a steady growth.

The decline in railways’ market share can not be attributed primarily to capacity constraints. Based on traffic projections indicated by the user Ministries and bulk rail users as well as in consultation with Planning Commission, railways have been making investments to strengthen the rail infrastructure on the required routes through doubling new lines, traffic facilities, signaling works etc. apart from upgrading the rolling stock fleet.

Railways as a means of transport are most suitable to carry bulk traffic in train loads which is primarily offered by the core sector. Some of the factors for the decline in railway’s market share are (i) the changing profile of the economy; (ii) development of alternative modes of transport like coastal shipping and pipelines, (iii) construction of power plants at pitheads; (iv) certain anomalies that have crept into the freight structure.

Ministry of Railways, being fully conscious of the changing scenario, have been taking initiatives and evolve strategies not only to arrest the decline in market share but to bring about growth in railways share in transportation.

Freight Services

Strategy to augment freight services capacity include:—

- (a) De-bottlenecking of the golden quadrilateral and its diagonals, which carry about 65% of the traffic and is saturated.
- (b) Doubling of congested single line section.
- (c) Reducing speed differential between passenger and freight trains with introduction of high speed (100 kmph) wagons and retro-fitting on existing of wagons to increase speed, thus making available extra line capacity.

- (d) Progressive production of high horse power locomotives to enable running of freight trains at 100 kmph.
- (e) Introducing automatic signaling on saturated sections.
- (f) Strengthening of track infrastructure for introduction of high-speed wagons.

Together with increase in capacity, improvement in quality of service is also seen as an essential component to optimize market share. The initiatives taken in this direction include:

- (a) Providing complete logistic solutions to clients private participation in terminal management.
- (b) Reduction of transit time.
- (c) Strengthening of multi-model infrastructure as international container traffic has been growing rapidly and is expected to grow further in future.
- (d) Freight operation information system to ensure on line tracking of cargo. Phase-I (Rake Management System) of the project has been completed and Phase-II on the Terminal Management System is expected to run up by 2003.
- (e) Computerized simulation techniques are being developed as Log Range Decision Support System (LRDSS) to identify capacity constraints and determine specific needs for development of rail infrastructure.

In addition to above measures, initiative has also been taken to remove certain anomalies that have crept into the freight structure due to ad-hoc changes in freight rate.

Passenger Service

- (a) In order to cater to growth, the focus will be to augment Mail/Express trains to run with 24 coaches.
- (b) Additional investment for augmenting terminal facilities in metropolitan cities and other major terminals.
- (c) Introduction of additional AC 3 tier services on existing trains in order to maximize revenue yield per coach, as this service is perceived to provide good value for money.

- (d) Improvement in customer interface by provision of touch-screen kiosks/IVRS and Internet/Computer-based facilities.
- (e) Major infrastructure work in Mumbai area are under execution for augmenting sub-urban transport capacity which will help in reducing crush loads on EMU services. Improved EMU coaches are also proposed to be introduced and rake length is being increased from 9 to 12 coaches. Additional facilities are planned in Chennai, Secunderabad and Delhi.
- (f) Increasing the number of trains handled per platform by improving in yard design and separation of parcel services.
- (g) Concession of uneconomic branch lines.
- (h) Improvement in quality of onboard services—creation of Indian Railways Catering and Tourism Corporation”.

Indian Railway Finance Corporation (IRFC)

71. The Indian Railway Finance Corporation was set up in 1986 to partly finance the Plan outlay of the Railways. The funds raised by IRFC are used to finance the acquisition of Rolling Stock such as Locomotives, Coaches and Wagons. These assets are leased to the Railways in accordance with the Lease Agreements executed between IRFC and the Ministry of Railways.

72. When asked about the total liability of Railways towards lease charges and its impact on their plan works and details of the total capital generated with the help of financial resources provided by IRFC since its inception and the revenue generated with that capital, the Ministry of Railways have intimated as under:—

“Railways have not taken any loan from Indian Railway Finance Corporation (IRFC)/ other institutions. However, as per mandate given by the Ministry of Railways every year, IRFC has been arising funds from the market which are used to finance the acquisition of Rolling Stock such as Locomotives, Coaches and Wagons. The rolling stock thus acquired are leased/sub-leased to the Railways under Lease/Sub-Lease Agreements executed between IRFC and Ministry of Railways.

The liability of the Railways anticipated as on 31st March, 2001, is given below:-

Year	Value of assets leased/Sub leased by IRFC to MOR	Cumulative value of assets	Lease rentals payable on accrual basis (Capital+interest)	Component of Principal out of Col. 4
1987-88	770.33	770.33	54.80	17.61
1988-89	860.73	1631.06	175.27	57.76
1989-90	1072.56	2703.62	317.18	109.35
1990-91	1170.04	3873.66	473.40	173.95
1991-92	1500.49	5374.15	665.86	255.54
1992-93	961.82	6335.97	871.56	341.74
1993-94	900.38	7236.35	1009.32	419.75
1994-95	1050.10	8286.45	1172.65	505.44
1995-96	658.74	8945.19	1339.41	597.82
1996-97	1901.84	10847.03	1516.79	713.04
1997-98	2237.77	13084.80	1833.72	835.91
1998-99	2950.29	16035.09	2122.27	919.67
1999-00	2848.93	18884.02	2479.12	1053.33
2000-01	2823.27	21707.29	2700.48	1085.39
Total				7086.30

It may be seen from above that out of a gross liability of Rs. 21,707 crore as on 31.03.2001, liability to the extent of Rs. 7,086 crore has been discharged and the outstanding liability as on 31.03.2001 is Rs. 14,621 crore.

During the year 2000-01, an amount of Rs. 2748 crore was paid to IRFC as lease charges, which constituted 7.88% of Gross Traffic Receipts in 2000-01 (Rs. 34,880 crore). As a percentage of Ordinary Working Expenses during 2000-01 (Rs. 27,534 crore), lease charge paid work out to 9.98%. lease charges paid during 2001-02 (Rs. 2942 crore) worked out to 7.8% of GTR (RE) (Rs. 37,720 crore) and 10.11% of OWE (RE) (Rs.29,100 crore). As per Budget Estimates 2002-03, lease charges payable (Rs. 3118 crore) worked out to 7.51% of GTR (Rs. 41,538 crore) and 10% of OWE (Rs. 31,160 crore).

Railways had begun market borrowing through Indian Railway Finance Corporation (IRFC) since 1987-88 to augment resources to fund the Railways' expansion and modernization plans. The market borrowings are a costlier option as compared to budgetary support and internal generation. The market funds are, therefore, invested exclusively in rolling stock assets, which has enabled the Railways to replace over-aged rolling stock and induct modern, high capacity stock. This has directly contributed to increase in carrying capacity, productivity of assets and revenue earning capacity. As a result of channeling the market funds to meet investment requirements in rolling stock, Railways have been able to substantially contain the throw-forward under this Head. But for the induction of market funds, the resources position would have been further squeezed, leading to an even larger throwforward under other Plan Heads. In view of this, the market funds should correctly be seen as forming a part of the pool of investible resources available to the Railways. Market borrowing will not lead to debt trap as long as it goes into capital formation and productive assets.

(c) As regards revenue generated by leased assets, it may be mentioned that such data is not maintained since leased rolling stock form part of the total rolling stock pool of the Railways and no distinction between leased and owned assets can be made during normal operations".

Operating Ratio

73. There is slight improvement in operating ratio which has been revised to 96.6% against 98.8% (BE) in 2001-02. This year it has been projected at 94.4% but some of the Zonal Railways are operating at a very high cost particularly, the Eastern Railway, North Eastern Railway, Northeast Frontier Railway and Southern Railway. The operating ratio of these Railways since 1996-97 onward is as under:—

Particulars	Actuals 1996-97	Actuals 1997-98	Actuals 1998-99	Actuals 1999-00	Actuals 2000-01	Budget 2001-02	Revised 2001-02	Budget 2002-03
Eastern Railway	97.7%	102.3%	111.1%	112.8%	121.4%	122.0%	122.7%	121.5%
North Eastern Railway	164.7%	170.8%	148.9%	152.7%	156.6%	160.1%	154.4%	147.1%
Northeast Frontier Railway	210.7%	221.4%	203.2%	202.1%	208.2%	223.6%	192.3%	188.5%
Southern Railway	107.0%	111.8%	114.3%	114.7%	120.8%	120.1%	122.3%	121.3%

74. When asked about the reasons of poor performance of these Railways and the steps taken in order to effect improvement in their working, the Ministry of Railways in their written reply have stated as under:

“The Operating Ratio of the Zonal Railways is dependent on several factors which are as under:—

- (i) The geographical locations—the Railways at the extremities receive less traffic and earn lower shares.
- (ii) This also decides the quantum of traffic arising on the Railway.
- (iii) Earnings on Railways with higher proportion of passenger traffic is relatively lower.
- (iv) Railways with reduced lead on their system receive lower shares.

In all these respects, Eastern, North Eastern, N. Frontier and Southern Railways are not as well placed as other railways. On the other hand, the operating expenses on the zonal railways are growing at a uniform rate, irrespective of their traffic output. As such, the operating ratio on these zones is higher than on the others.

The relative deterioration seen in the Operating Ratios of these Railways since 1997-98 is mainly due to the disproportionate surge in the staff cost on account of implementation of the recommendation of the Fifth Pay Commission. The working expenditure in the past two years has stabilized and with the growth in earnings, the Operating Ratio is improving gradually”.

75. They have further stated Railways, in order to bring about an overall improvement in the Operating Ratio, are working under a strict austerity and economy plan to minimize the operating expenses. Steps being taken in this regard are detailed below:—

(A) Expenditure Control Measures

- Better manpower management for improving per capita productivity.
- Improvement of specific fuel consumption.

-
- Improving assets utilization.
 - Better inventory control.
 - Expenditure management by regular monitoring against monthly proportions based upon spending limits lower than budget and by regulation of cash outgo through the controlled release of cash authorization to various spending units.

Also, the following steps are being taken to augment the earnings of the Railways:—

(B) Augmentation of Earnings

- Aggressive marketing to capture other goods as well as core sector traffic.
- Revision in classification of certain commodities
- Volume Discount Scheme for certain commodities
- Two points rake loading for nominated stations
- Guaranteed transit time service by CONCOR.
- Delegation of powers to General Managers to quote special rates
- Leasing of front brake-vans in all passenger trains
- Special Parcel trains between important stations and trading centers.
- Drives against ticket-less travel.
- Maximum realization from sale of scrap.

Disposal of Scrap

76. There is a sizeable arising of scrap material on Railways such as unserviceable items, off-cuts due to manufacturing processes, condemned machinery and plant, condemned rolling stock (locomotives, coaches and wagons), permanent way materials released due to gauge conversion and track renewals etc.

77. All these items which cannot be put to economical use by the Railways are sold on all Railways either through invitation of tenders or public auction.

78. Railways have time-tested systems of collection, sorting and disposal of these scrap materials. The ferrous materials sold by the Railways are used by re-rolling mills and other industries located throughout the country. The sale of scrap during the last two years has been as under :—

1999-2000	2000-2001
633596	536171
347990	320286
8940	10023
16226	26262
1454	1298
228	260
898	949

79. During the year 2001-02 (upto September 2001) sale value realised is Rs.366 crore which was contributed by 139540 MT of ferrous, 98741 MT of rails, 76 locos, 486 coaches and 9027 wagons.

Passenger Services

80. The Railways have proposed to introduce the following new trains during 2002-2003:—

- (i) Durg-Bangalore *via* Gondia, Chanda Fort and Secunderabad (Weekly)
- (ii) Guwahati-Jodhpur-Bikaner *via* Jaipur (Weekly)
- (iii) Jammu Tawi-Haridwar
- (iv) Sarnath-Rajgir Budh Purnima Express *via* Gaya (Tri-Weekly)
- (v) Durg-Jaipur (Weekly)
- (vi) Bangalore-Gandhidham *via* Hubli (Weekly)
- (vii) Ahmedabad-Varanasi *via* Allahabad (Weekly)
- (viii) Hatia-Mumbai (Lokmanya Tilak Terminus) *via* Gaya, Varanasi (Weekly)

- (ix) Garwa Road-Hatia
- (x) Cannanore-Bangalore (Weekly)
- (xi) Chennai Egmore-Trivandrum *via* Nagercoil
- (xii) Habibganj-Mumbai (Lokmanya Tilak Terminus) (Weekly)
- (xiii) Bhopal-Howrah (Weekly)
- (xiv) Jaipur-Mumbai (Bandra Terminus) (Tri-weekly)
- (xv) Nanded-Pune (Tri-weekly)
- (xvi) Nizamuddin-Kanyakumari *via* Villupuram (Weekly)
- (xvii) Howrah-Gorakhpur *via* Narkatiaganj (Weekly)
- (xviii) New Delhi-Howrah (Bi-weekly)
- (xix) Indore-Patna *via* Bhopal-Lucknow (Weekly)
- (xx) Ahmedabad-Rajkot
- (xxi) Berhampur-Bhubaneswar
- (xxii) Vishakhapatnam-Chennai (Weekly)
- (xxiii) Pathankot-Delhi (Tri-weekly)
- (xxiv) Mhow-Chittorgarh (MG)
- (xxv) Ernakulam-Calicut (in place of 6341/6342 Ernakulam-Trivandrum Express *via* Alleppey and after introduction of Jan Shatabdi Express between Ernakulam and Trivandrum)

Frequency Increased:

- (i) 2435/2436 New Delhi-Guwahati Rajdhani Express bi-weekly to 4 days a week.
- (ii) 2421/2422 New Delhi-Bhubaneswar Rajdhani Express from bi-weekly to tri-weekly and re-routing *via* Adra-Kharagpur instead of *via* Howrah.
- (iii) 2805/2806 Visakhapatnam-Vijayawada Janmabhoomi Express from six day a week to daily.
- (iv) 5211/5212 Amritsar-Darbhanga Jansewa Express *via* Narkatiaganj from two days a week to daily. This train will now be known as Jan Nayak Express.

- (v) 1463/1464 Rajkot-Jabalpur Express from four days a week to five days a week (by extending 1269/1270 Rajkot Bhopal Express to Jabalpur *via* Itarsi once a week).
- (vi) 5209/5210 Amritsar-Barauni Jansewa Express from five days a week to daily *via* Bhatni, Chhapra, Shahpur Patoree.
- (vii) 2129/2130 Pune-Howrah Azad Hind Express from three days a week to four days a week.
- (viii) 6509/6510 Ajmer-Bangalore Express from weekly to bi-weekly.
- (ix) 5049/5050 Gorakhpur-Howrah Express from weekly to bi-weekly and routing *via* Mau, Indara, Ballia and Shahpur Patoree.
- (x) 8603/8604 Hatia-Delhi Jharkhand Swarnajayanti Express (*via* Daltonganj) from bi-weekly to tri-weekly.
- (xi) 8605/8606 Hatia-Delhi Jharkhand Swarnajayanti Express (*via* Gaya) from bi-weekly to tri-weekly.
- (xii) 5025/5026 Godaan Express from weekly to bi-weekly (once a week from Gorakhpur to Mumbai (Lokmanya Tilak Terminus) and once a week from Chhapra to Mumbai (Lokmanya Tilak Terminus) *via* Bhatni, Mau and Shahganj.
- (xiii) 9311/9312 Indore-Pune Express *via* Vasai Road from weekly to bi-weekly.
- (xiv) 4319/4320 Dehradun-Kathgodam Express from weekly to bi-weekly.

Extension

- (i) 1003/1004 Mumbai-Nanded Devgiri Express to Nizamabad.
- (ii) 5045/5046 Gorakhpur-Ahmedabad weekly Express to Okha.
- (iii) 4231/4232 Lucknow-Saharanpur Express to Chandigarh.
- (iv) 6519/6520 Bangalore-Bangarapet Express to Jolarepettai.

- (v) 8101/8102 Tata-Hatia-Pathankot Express to Jammu Tavi.
- (vi) 6589/6590 Bangalore-Miraj Rani Chennamma Express to Kohlapur.
- (vii) 4859/4860 Delhi-Jodhpur Express to Jaisalmer.
- (viii) 4845/4846 Jodhpur-Ahmedabad Suryanagari Express to Mumbai (Bandra Terminus) Four days a week.
- (ix) 5005/5006 Dehradun-Gorakhpur Express (tri-weekly) to Muzaffarpur once a week via Narkatiaganj.
- (x) 8025/8026 Shalimar-Bankura Aranyak Express to Adra.
- (xi) 5302/5305 Kanpur-Kasganj Express to Bareilly (MG).
- (xii) 3245/3246 Danapur-Katihar Capital Express to New Jalpaiguri.
- (xiii) 1269/1270 Rajkot-Bhopal Express to Jabalpur via Bina-Katni (Two days a week)
- (xiv) 4269/4270 Lucknow-Chopan-Shaktinagar-Singrauli Triveni Express to Barwadih by running a link express between Chopan and Barwadih.
- (xv) 8441/8442 Bhubaneshwar-Palasa Inter-city Express to Srikakulam.
- (xvi) 243/244 Visakhapatnam-Srikakulam MEMU to Palasa.

MEMU Services:

- (i) Guwahati-New Bongaigaon via Goalpara
- (ii) Delhi-Meerut
- (iii) Rewari-Delhi Sarai Rohilla (MG)
- (iv) Pathankot-Jammu Tawi
- (v) Harihar-Hubli
- (vi) Jhansi-Bina
- (vii) Saharanpur-Shamli

Demand No. 16**ASSETS - ACQUISITION, CONSTRUCTION AND REPLACEMENT.**

81. Demand No. 16 represents Plan expenditure which covers assets acquisition, construction and replacement. This Plan expenditure on Railways is financed through three sources *viz.* (1) Capital/Budgetary Support from General Exchequer (2) Internal Resources and (3) Extra Budgetary Resources in the form of Market Borrowings.

Ninth Plan

82. The Ninth Five Year Plan of the Railways envisaged an expenditure of Rs. 45,413 crore with an overall Budgetary Support of Rs. 11,791 crore. However, the actual size of the Ninth Plan at current cost has been estimated to Rs. 46,405 crore with a Budgetary Support of Rs. 14,472 crore excluding Rs. 1000 crore from Central Exchequer for Special Railway Safety Fund. The physical targets fixed for the Ninth Plan for different major activities and the same actually achieved are as under:—

Area of Activity	Target for IX Plan as per the approved Plan size of Rs. 45,413 Cr.	Achievement/ Procurement during the plan	Percentage
New Lines	819 Km.	662 Km.	80
Gauge Conversion	3710 Km.	2103 Km.	56.6
Doubling	2500 Km.	990 Km.	39.6
Track Renewals	13922 Km.	15473 Km.	111
Railway Electrification	2334 Km.	2311	99
Diesel Locomotives	785	647	82
Electric Locomotives	851	676	79
Coaches	10909	10695	98
Wagons	136000	104316	76.7

83. Explaining the reasons for shortfall in physical targets, the Ministry of Railways have stated that physical progress achieved during the IX- Plan particularly in New Lines, Gauge Conversion and Doubling planheads will not be commensurate with the financial outlays. The poor correlation between financial outlays and physical achievements is due to large shelf of projects without commensurate provisions of funds. A very large number of ongoing projects results in a thin spread of resources which has a direct impact on the Railway's ability to complete the projects. As such desired progress could not be achieved in projects under Plan Heads Doubling, New Lines and Gauge Conversion.

Tenth Plan

84. The Planning Commission have not yet finalized the Tenth Five Year Plan Document. However, the tentative financial targets for the Plan being proposed by the Railways are as follows:—

	(Rs in crore)
Internal Resources	11587 (24%)
Market Borrowings	10000 (20%)
Budgetary Support (Excluding SRSF)	27500 (56%)
Total	49087
Resources expected from Public Private Partnership (Not included in X Plan)	3100

85. The following physical targets for the major Plan Heads are being considered by the Railways:—

Plan-Head	Target for Tenth — Plan
New Lines	850 RKM
Gauge Conversion	1700 RKM
Doubling	1500 RKM
Railway Electrification	2150 RKM
Wagons (Nos. in FWUS)	65000
Electric Locos (Nos.)	343
Diesel Locos (Nos.)	444
Conventional Coaches (VUS)	8316
EMUs (Vus)	1869

Annual Plan 2001-02

86. The Annual Plan 2001-02 was fixed at Rs. 11090 crore consisting of Rs. 3540 crore from Capital Support, Rs. 4000 crore from Market Borrowings and Rs. 3550 crore from Internal Generation and contribution from non-traditional sources of revenues. However, at the

at the end of the Financial Years, it has been revised to Rs. 10,857 crore including Rs. 2063 crore (19%) from Internal Generation, Rs. 2753 crore (25%) from Market Borrowings, Rs. 4438 crore (41%) from Budgetary support, Rs. 1400 crore from Special Railway Safety Fund (13%) and Rs. 203 crore (2%) from Safety Fund. The physical targets fixed, revised and achieved upto 31st December, 2001 are as under:—

	Budgeted 2001-02	Revised Target 2001-02	Achievements (upto Dec. 2001)
1. Electrification (Route Kilometers)	350 route Kms.	430	216
2. Track Renewals (Track Kms.)			
(i) Primary	2750 track Kms.	2500	1895
(ii) Secondary	650 track Kms.	800	537
3. Construction of New Lines (Route Kms.)	82 route Kms.	100	28
4. Gauge Conversion (Kms.)	160 Kms.	211	89
5. Doubling	—	200	45
6. Rolling Stock			
(i) Locomotives			
Diesel	90	90	79
Electric	90	73	62
(ii) Coaches			
EMUs/Metro	294	324	153
Others	1907	1901	1464
(iii) Wagons (in terms of 4 wheelers)	23,000	17000	8034

87. Giving reasons of reduction of Annual Plan 2001-02 from Rs.11090 crore to Rs. 10857 crore the Ministry of Railways in their written reply have stated that during the course of the year there have been various factors affecting the plan size, both on the plus and the minus sides. The overall variation, a reduction of Rs. 233 cr. has

come about after taking into account all these factors, which are detailed below:-

(Rs. in crore)

Sl. No.	Nature of changes affecting Plan Expenditure	Effect
(i)	<p><i>Reduction in Internal Generation:-</i></p> <p>There has been a shortfall to the tune of Rs. 1187 cr in internal generation resources. This has been mainly contributed by-</p> <p>Shortfall in goods earnings 625</p> <p>Shortfall in goods earnings 817 (-) 1187</p> <p>Non-traditional earnings 800</p> <p>Shortfall in realization of dues</p> <p>Compensated by savings in working expenses and Certain other minor changes +1055</p>	
(ii)	<p><i>Reduction in Market Borrowings:-</i></p> <p>Due to non materialization of BOLT -900</p> <p>Due to non materialization of OYS - 90 (-) 1247</p> <p>Reduced IRFC borrowing due to reduction in requirement of rolling stock -257</p>	
(iii)	<p><i>Creation of the Special Railway Safety Fund:-</i> Consequent upon the setting up of a non-lapsable 'Special Railway Safety Fund' to wipe out arrears of replacement of over-aged assets, a supplementary grant was sought for Rs. 1,400 cr. in the winter session of Parliament, consisting of Rs. 1000 cr. as the Government's contribution and Rs. 400 cr. too be raised through Safety surcharge.</p>	(+) 1400
(iv)	<p><i>Additional budgetary support:</i> In the endeavor to boost investment in infrastructure, additional budgetary support was granted to accelerate the progress on certain selected projects. A supplementary grant of Rs. 898 cr. was approved by Parliament in the winter session 2001.</p>	(+) 898
(v)	<p><i>Reduced expenditure under Road Safety Works:-</i></p> <p>Work on certain road over and under bridges has not proceeded at the anticipated pace, in many places on account of the State Govt's portion of the work not keeping pace, hence there is a surrender of Rs. 97 cr. which is being carried forward in the Safety Fund to the next year.</p>	(-) 97
(iv)	<p><i>Overall effect:-</i></p> <p>The net effect of the above changes has been an overall shortfall in the plan to the extent of Rs. 233 cr.</p>	Net short-fall -233

88. The Ministry of Railways further added that the overall reduction during 2001-02 has been of the order of 2% of the total Plan. The plan heads in which the reduction has been relatively higher are as under:

Plan-Head	%age reduction on Net basis
New Lines	13%
Doubling	8%
Traffic facilities	10%
Rolling Stock	10%
Road Safety Works (ROBs/RUBs)	48%
Track Renewals	9%
Machinery & Plant	12%
Passenger and Other Amenities	16%
Metropolitan Transport Projects	22%

89. Elaborating the reasons further, the Ministry of Railways have submitted that all the reductions are not due to lack of availability of funds. A 10% reduction in rolling stock was due to the reasons that the requirement of rolling stock itself has reduced on reassessment. In the case of Road Safety Works ROBs/RUBs the allocation in RE has been reduced because of slow progress in many works, which again is on account of slow progress in the portion of work to be carried out by the State Governments. The shortfall in the above plan heads has been considerably counter balanced by 197% increase under inventories, due to funding provided to the Konkan Railway Corporation.

Annual Plan 2002-03

90. The Annual Plan 2002-03 has been fixed at Rs. 12330 crore. This is to be funded as under:-

Capital support from General Exchequer	Rs. 4040 crore	33%
Market Borrowings	Rs. 3000 crore	24%
Internal Generation Resources	Rs. 2630 crore	21%
Special Railway Safety Fund	Rs. 2210 crore	18%
Safety Fund	Rs. 450 crore	4%
Total	12330 crore	

The Annual Plan 2002-03 constitutes an increase of about 8.8% over the revised plan outlay (Rs. 10857 crore) of the year 2001-02.

91. This outlay would be utilised for achieving the following financial and physical targets under some of the important Plan Heads during the year 2002-03:- (Net)

A. Financial Targets

Plan Head	(Rs. in crores)
New Lines and Restoration	911
Gauge Conversion	807
Doubling	608
Traffic facilities—Yard Remod.	225
Computerisation	139
Railway Research	20
Rolling Stock	3771
Road Safety Works—Level Crossings	125
Road Safety Works—ROB/RUB	325
Track Renewals	2704
Bridge Works	204
Signalling & Telecom Works	725
Electrification Projects	238
Other Electrical Works	130
Machinery and Plant	116
Workshops incl. Production Units	215
Staff Quarters	67
Amenities for Staff	65
Passenger and other Users' Amenities	200
Other Specified Works	79
Inventories	390
Metropolitan Transport Projects	266

B. Physical Targets

Plan Head	
Electrification	375 route kms.
Track Renewals:	4000 route kms.
(i) Primary	3300 track kms.
(ii) Secondary	700 track kms.
Construction of New Lines	214 route kms.
Gauge Conversion	542 kms.
Doubling	250 route kms.
Rolling Stock:	
(i) Locomotives:-	
Diesel	90
Electric	69
(ii) Coaches:	
EMUs/Metro	222
Others	1450
(iii) Wagons (in terms of 4-wheelers)	17,000

92. The major thrust in the plan is on New Lines, Track Renewals, Doubling and augmentation of Traffic Facilities, Signalling and Telecommunication besides replacement and acquisition of Rolling Stock and Passenger Amenities. Two plan heads are also operated for conversion of unmanned level crossings to manned crossings and construction of road over /under bridge. With a view to clear the arrears of over-aged assets and replacements, a Special Railway Safety Fund has been set up by the Government. This fund is being funded through levy of Safety Surcharge on passenger fare and by non dividend bearing additional budgetary support extended by the Government.

93. Sources for funding each of the important Plan heads as mentioned in the Performance Budget 2002-03 gross are given below:-

Sl. No.	Plan-Head	Sources of Funds					Total
		Capital (Budgetary Support)	Internal Generation	Safety Fund (Diesel Cess)	Special Railway Safety Fund SRSF	Market Borrowings	
1.	New Lines & Restoration	911	--	--	--	--	911
2.	Gauge Conversion	862	--	--	--	--	862
3.	Doubling	610	--	--	--	--	610
4.	Rolling Stock	258	382	--	280	3000	3919
5.	Road Safety Works Level Crossings	--	--	125	--	--	125
6.	Road Safety Works ROB/RUB	--	--	325	--	--	325
7.	Track Renewals	--	1856	--	1661	--	3517
8.	Electrification Projects	237	2	--	--	--	239
9.	Passenger & Other Users' Amenities	--	200	--	--	--	200
10	Metropolitan Transport Projects	268	--	--	--	--	268

Formula for Allocation to States

94. The Railways have a large shelf of Ongoing Projects under the Plan Head—New Lines and Gauge Conversion. To address the complaint of unequal allocation of funds for railway projects, the Minister has decided to allot funds judiciously based on three major criteria—(i) area of the State (15%) (ii) the population of the State (15%) and (iii) throw forward of projects in the State (70%) for the Plan heads *viz.* New Lines, Doubling, Gauge Conversion, Electrification etc. The “available funds” for this allotment is calculated as follows. Of the budgetary support available for capital expenditure approximately 70% is kept for projects. From this 70%, allocation is first made for works in the North East States, which has to be 10% of the total, funds required for MTP projects, mega bridges and Railway’s share of share of projects in which States have contributed a 2/3rd share as being given by the State of Jharkhand. The balance constitutes the “available funds” which has been distributed to different States on the basis of the formula worked out.

95. When asked about the basis of this formula for allocating the funds the Ministry of Railways in a written note submitted:-

"Though the development of rail infrastructure is not done State-wise but over the years the perception have changed and Hon'ble Members of Parliament have been demanding State-wise development of Rail infrastructure. Till now, the funds to the various projects were being allocated not on any rational basis, as a result there has been a perceived sense of inequity and adhocism in allotment of funds. There have been representations to the Government for more allocation of funds in the respective States from the State Governments as well as the Members of Parliament. Keeping these in view, an attempt has been made in evolving a rational formula to bring about transparency and fairness in distribution of funds. The major criteria considered relevant for development of Rail infrastructure in a State are area, population and throwforward of projects. While a lower weightage of 15% each has been considered for area and population, a higher 70% weightage has been given to throw forward as it is the most relevant parameter. Based on the above, the available funds have been distributed State-wise".

96. Elucidating the rationality of the criteria fixed, they further added:-

"Working out the available funds for the plan heads New Lines, Gauge Conversion, Doublings and Railway Electrification and MTP is as under:—

(Aa)	Budgetary Support	Rs. 5840 crs.
(Bb)	Contribution to SRSF (1350 cr) and Safety fund (450 cr)	(-) Rs. 1800 crs.
(Cc)	Balance funds available	Rs. 4040 crs.
(Dd)	Funds available for New Lines, Gauge Conversion, Doublings and Railway Electrification and MTP	Rs. 2888 Crore (71.48% of Rs. 4040 Crore)

Distribution of available funds (2888 cr.) for the projects is as under:—

(Aa)	Funds available	Rs. 2888 crs.
(Bb)	Allocated to N.E. Region (10%)	Rs. 288 crs.
(Cc)	Allocated to Jharkhand State as per MoU	Rs. 122 crs.
(Dd)	Metropolitan Transport Projects	Rs. 268 crs.
(Ee)	Mega Bridges	Rs. 95 crs.
(Ff)	Balance available for distribution in States for new line, gauge conversion doubling and railway electrification projects.	Rs. 2115 crs.

(a) In distributing the available funds, the following have been considered:—

- (i) As per the guidelines, 10% of the available funds (Rs. 288 cr.) for projects have been allocated to the projects in North East Region.
- (ii) An MoU has been signed between the Ministry of Railways and Government of Jharkhand as per which 6 projects in the State of Jharkhand are to be implemented on cost sharing basis. The total balance cost of these projects is 1997 crores and as per MoU, the cost is to be shared 1/3rd by Ministry of Railways and 2/3rd by Government of Jharkhand. These projects are to be implemented in a period of 5 years. An amount of Rs. 122 crore has been proposed in the budget 2002-03 as share of Ministry of Railways.
- (iii) MTP projects are related to only metropolitan cities of Chennai, Kolkata, Mumbai and Hyderabad are being executed on cost sharing basis with the State Government. An amount of Rs. 268 crore has been allocated for MTP works (about 10%)

(b) The following example indicates how the share of the State of Andhra Pradesh has been worked out:—

Area	Population (based on 2001 census)		Throwforward of New Lines, Gauge Conversion, Doublings and Railway Electrification		Weighted average (15% of col. 2, 15% of col. 4 and 70% of col. 6.	
Area of the State in Sq. km.	%age of total area of states under consideration	Population of the State	%age of total area of States under consideration	Throwforward in the State (Rs. in crs.)	%age of total throwforward of States under consideration	
1	2	3	4	5	6	7
275060	9.38%	75727541	7.91%	2607.80	10%	9.59%

97. Replying to a query regarding the justification of the present formula for those States having no ongoing projects, the Ministry of Railways in a written note stated as under:—

- (i) In States where there are no ongoing Railway projects, the requirement of funds will come about whenever a new projects gets sanctioned. The formula provides that whenever a new project gets approved, the cost of the project gets added to the throw forward of the concerned State, thereby ensuring a commensurate increase in the allocation due to the State.

(ii) When asked whether the present formula/criteria have been approved by the Cabinet Committee on Economic Affairs and Planning Commission, the Ministry of Railways have stated that this formula is only a step towards rationalization and judicious allotment of funds. And hence does not require approval of CCEA/ Planning Commission and Ministry of Finance (Department of Expenditure) on the formula cited above.

(iii) As regards State-wise allocations of funds as per the formula to various States, the Ministry of Railways submitted as under:—

ANNEXURE I

STATE-WISE ALLOCATION OF FUNDS
DURING 2002-03 FOR PROJECTS.

Sl. No.	Name of State	Area Sq. km.	Population (based on 2001 census)	Throwforward as on 1.4.2002 New Lines, Gauge Conversion, Doubling and Railway Electrification	Weighted Average (15% of col. 4+15% of col. 6+70% of col. 8)	Proposed be 2002-03 (as per formula) for New Lines, Gauge Conversion, Doubling and Railway Electrification			
		Sq. km.	%						
1	2	3	4	5	6	7	8	9	10
1.	Andhra Pradesh	275060	7.91	75727541	7.91	2607.80	10.00	9.59	202.87
2.	Bihar	94156	3.21	82878796	8.66	2468.00	9.46	8.40	177.74
3.	Chattisgarh	135100	4.61	20795956	2.17	544.80	2.09	2.48	52.43
4.	Delhi	1483	0.05	13782976	1.44	66.09	0.25	0.40	8.48
5.	Gujarat	196020	6.68	50596992	5.29	1486.00	5.70	5.78	100.32
6.	Haryana	44210	1.51	21082989	2.20	217.02	0.83	1.14	24.09
7.	Himachal Pradesh	55670	1.90	6077248	0.63	174.60	0.67	0.85	17.95
8.	Jammu & Kashmir	222230	7.58	10069917	1.05	193.80	0.74	1.81	38.38
9.	Karnataka	191790	6.54	52733958	5.51	3144.00	12.05	10.24	216.67
10.	Kerala	38860	1.33	31838619	3.33	1393.00	5.34	4.44	93.82
11.	Madhya Pradesh	308340	10.52	60385118	6.31	2601.00	9.97	9.50	201.00
12.	Maharashtra	307710	10.49	96752247	10.11	1520.00	5.83	7.17	151.63

1	2	3	4	5	6	7	8	9	10	
13.	Orissa	155700	5.31	36706920	3.84	2286.00	8.76	7.51	158.76	
14.	Punjab	50360	1.72	24289296	2.54	662.30	2.54	3.42	51.09	
15.	Rajasthan	342390	11.68	56473122	5.90	1223.00	4.69	5.92	125.18	
16.	Tamil Nadu	130050	4.44	62110839	6.49	1632.00	6.26	6.02	127.29	
17.	Uttar Pradesh	238565	8.14	166052859	17.35	1927.00	7.39	8.99	190.23	
18.	Uttaranchal	55845	1.90	8479562	0.89	18.60	0.07	0.47	9.91	
19.	West Bengal	88750	3.03	80221171	8.38	1920.00	7.36	6.86	145.17	
	Total	2932289	100	957056126	100.00	26085	100.00	100.00	2115.00	
	Funds Allocated not as per Formula									
1.	Assam & NER	255060	—	38495089	—	—	—	—	288.00	
2.	Jharkhand	79714	—	26909428	—	—	—	—	122.00	
3.	Metropolitan Transport Projects	—	—	—	—	—	—	—	268.00	
4.	Mega Bridges	—	—	—	—	—	—	—	95.00	
	Grand Total	3267063	—	1022460643	—	—	—	—	2888.00	

Note : The throwforward of projects falling in more than one State has been considered on proportionate basis.

Priority

98. The Cabinet Committee on Economic Affairs (CCEA) approved the prioritization of New Line and Gauge Conversion Projects on 9th November, 1998. The Ministry of Railways, in their written reply, have stated that the aforesaid prioritization approved by the CCEA is considered adequate for the present and reprioritisation is not necessary.

99. The previous Standing Committee on Railways in their 9th Report on 'Demands for Grants (2001-02) of the Ministry of Railways' had strongly recommended that existing priority of Ongoing Projects be reviewed critically and that it must not be a mere categorisation of projects but realistic enough in terms of funding requirements. The Ministry of Railways, in their action taken notes, have agreed with the recommendation of the Committee and stated that they are in the process of prioritizing of Ongoing Projects with a view to allocate resources optimally so that resources are not spread too thinly.

1	2	3	4	5	6	7	8	9	10	
13.	Or.ssa	155700	5.31	36706920	384	2286.00	8.76	7.51	158.76	
14.	Punjab	50360	1.72	24289296	2.54	662.30	2.54	342	51.09	
15.	Rajasthan	342390	11.68	56473122	590	1223.00	4.69	5.92	125.18	
16.	Tamil Nadu	130050	4.44	62110839	6.49	1632.00	6.26	6.02	127.29	
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3.	Metropolitan Transport Projects	—	—	—	—	—	—	—	268.00	
4.	Mega Bridges	—	—	—	—	—	—	—	95.00	
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100. Justifying the need to re-prioritise the ongoing projects, the Secretary (Expenditure) submitted before the Committee as under:

"The Problem is that the number of projects is such and the outlay required is so huge that small allocations are made and resources are spread very thinly as a result of which there is no tangible progress in respect of certain category of works. As the hon. Members have just mentioned where there is track renewal or electrification, perhaps the Railway Board has given high priority because these are the schemes under which they will be able to get some revenues. Or they are at a fairly advanced of stage completion, the completion of which is going to result in greater efficiency for the Railways. In respect of other projects, if the projects are going to be completed over the period of ten years, may be they would have taken a decision to spread it over twelve years or thirteen years because there is no immediate benefit that is going to arise as far as the Board is concerned. Internal priority is given by the Railways. The fact remains that a stage has come when a view will have to be taken on all the works that appear on Railway Board and then prepare the priority list. Otherwise, the resources would be spread very thinly".

101. Emphasising the need for re-prioritisation of projects, the Secretary, Planning Commission also, responding to the submission of the Ministry of Railways that the re-prioritisation of projects is not necessary stated as under:—

"I do not think the answer is very difficult if the Railways are saying this and we are saying something else. If a new line project is started, whatever has already been approved, it is going to take forty years to complete. Then, if somebody says that re-prioritisation is not required, I think, the conclusion is very obvious. We know what is the reason for the Railways coming to a situation where they may have a very big financial crises".

New Lines

102. Budgetary outlay for New Lines (construction) was estimated at Rs. 1015 crore for the year 2001-02, which was later on, at the fag end of the financial year, revised to Rs. 882 crore. The physical target was also revised to 100 route Kms. from 82 route Kms. However, against this revised target of 100 route Kms., only 28 route Kms. have been completed upto December, 2002. For the year 2002-03 the budgetary estimate for the same Plan Head has been kept at Rs. 911 crore in order to achieve a target of 214 route Kms.

103. As per the Ministry of Railways, the present level of investment is of the order of about Rs. 800 crore per annum which is not ideal to suit timely completion of new line projects. If required funding is available, the optimal time for completion of a new line project would be about 5-7 years. There is a throw forward of over Rs. 22,000 crore of the ongoing works under this plan head and if all the works are to be completed within optimal time frame, requirement of funds would be of the order of Rs. 3500 crore. per year (not considering escalation/inflation). With this investment, it may be feasible to complete about 800-1000 km of new lines every year. The ideal shelf of new line projects may be of the order of Rs. 6000 crore considering an investment of about Rs. 800 crore per annum and the optimal time frame for a new line project as 5-7 years. However, there is heavy throw forward of ongoing projects and with a view to achieve speedier completion of projects the Ministry of Railways stated to have been making efforts to get participation from the State Govts. and other sources as under:

- (i) Jharkhand Govt. have already come forward for participation in funding of projects in the State. Karanataka Govt. have also shown willingness for participation in some of the projects.
- (ii) Government have approved additional funding for Udhampur-Srinagar-Baramulla project which is a 'National Project'.
- (iii) Kolayat-Phalodi new line and gauge conversion of Luni-Munabao to be funded from the funds of Ministry of Defence as these are required on strategic considerations.
- (iv) Gauge conversion of Surendernagar-Pipavav is being executed through Special Purpose Vehicle (SPV). Gauge conversion of Gandhidham-Palanpur, Hassan-Mangalore and Sholapur-Gadag are also being tried through participation of State Government and the beneficiaries.
- (v) Proposal has also been processed for multilateral funding from Japan for certain projects. A comprehensive projects for augmentation of capacity on the saturated golden quadrilateral and its diagonals is being formulated with a view to explore other sources of funding.

104. To a specific query whether the existing priority needs any change, the Ministry of Railways have submitted as under:-

“The prioritization of new line and gauge conversion projects was earlier approved by Cabinet Committee on Economic Affairs in November 1998. The projects have broadly been classified as those which are nearing completion, financially viable/operationally required, taken up on strategic considerations, in N.E. Region, and other socially desirable projects. The available resources are being allocated to the ongoing works keeping in view the *inter-se* priority maintaining the regional balance. The allocation of funds during 2002-03 has been proposed on the basis of area, population and throw forward of projects in the State as stated by the Ministry of Railways in the budget speech. Under these circumstances, it may not be necessary to re-prioritize the works”.

Re-Appropriation Of Funds

105. The Ministry of Railways have informed the Committee that the allocation of funds in the budget to the projects is based on likely progress during the year, which in turn depends upon number of factors such as availability of land, materials, contractual efficiencies, coordination with other Central and State authorities etc. During the year, therefore, depending upon the various physical parameters of the works and the possible changes in priority, based on urgency, funds are required to be re-appropriated both to and from various works. During 2001-02, certain re-appropriations were also necessitated to provide necessary funding to meet the liability of Konkan Railway Corporation. The details of New Line projects where re-appropriation of funds was carried out during 2001-02 is given as under:

No.	Name of the Project	Amount Reappropriated during 2001-02 (Rs. In crore)
1	2	3
1.	Tarakeshwar-Bishnupur	-18
2.	Chandigarh-Ludhiana	-5
3.	Taran Taran-Goindwal	-8

1	2	3
4.	Mumarghat-Agartala	+30
5.	Howrah-Amta	-10
6.	Kottayam-Erumeli	-4
7.	Hubli-Ankola	-5
8.	Gadwal-Raichur	-4
9.	Kakinada-Pithapuram	-2
10.	Angul-Sukinda Road	-3
11.	Gandhinagar-Adrej Moti-Kalol	-2
12.	Ramganj Mandi-Bhopal	-2
13.	Lalitpur-Satna-Rewa-Singrauli	-3
14.	Giridih-Koderma	-2
15.	Deogarh-Sultanganj	-3
16.	Nangal Dam-Talwara	-2
17.	Angamali-Sabrimala	-5
18.	Bidar-Gulbarga	-2
19.	Kotapalli-Narsapur	-5
20.	Haridaspur-Paradeep	-3
21.	Ajmer-Pushkar	-2
22.	Khurda-Bolangir	-3
23.	Bishrampur-Ambikapur	-9

However, at the RE stage full funds as demanded by the Zonal Railways were allotted.

106. The Ministry of Railways informed the Committee that following projects can be completed partly/fully during 2002-03:

S. No.	Name of the Project	Funds provided during 2002-03 (Rs. in Crs)
1.	Katra-Faizabad new line	10
2.	Joruli-Keonjhar of Daitari-Banspani New line	40
3.	Una-Churaru Takrala of Nangal Dam-Talwara	10
4.	Daurandha-Maharajaganj restoration	5
5.	Buniadpur-Balurghat of Eklakhi-Balurghat new line	20
6.	Kumarghat-Manu of Kumarghat-Agartala new line	80
7.	Bajkul-Kanthi of Tamluk-Digha new line	20
8.	Fatuah-Islampur restoration	15

Gauge Conversion

107. Budgetary outlays for Gauge Conversion were estimated at Rs. 665 crore during the year 2001-02 and the same were revised to Rs. 684 crore. Physical targets were also revised from 160 Kms. to 211 Kms. and against this revised estimate, 89 Kms. have been converted upto December, 2001. Budgetary estimates for the year 2002-03 have been earmarked at Rs.807 crore to achieve a target of 542 route Kms.

108. Explaining the reasons for incurring more than the budgetary provisions for the year 2001-02 on the Gauge Conversion projects, the Ministry of Railways have submitted that the budget allotment for the Gauge Conversion Plan Head during 2001-02, excluding the allocation under BOLT, was Rs. 451 crore. Of the additional budgetary support of Rs. 898 crore sanctioned during the year for certain identified works, the amount for the gauge conversion works listed amongst these was Rs. 270 crore. Keeping in view the requirement reflected by the Zonal Railway as also the overall availability of resources, a revised outlay of Rs. 684 crore has been provided for gauge conversion projects during 2001-02.

109. When asked about the ideal requirement of annual allocation under Gauge Conversion Head, the Ministry of Railways have stated that the ideal level of year-wise investment would be approx. Rs. 1000 crore to clear all the ongoing and pending gauge conversion projects within 10 years, (not considering escalation and inflation).

110. As per the Ministry of Railways, till end of Feb. 2002, 104km of gauge conversion has already been completed during 2001-02. The following sections are further likely to be completed by 31st March 2002:

Mudkhed-Dharmabad of Mudkhed-Secunderabad	50 km
Dhrangadhara-Kuda	33 km
Soni-Bhind of Guna-Etawah	24 km

111. With this, the revised target of 211 km is likely to be fully achieved during 2001-02. List of gauge conversion projects which can be completed partly/fully during 2002-03 is given as under:

Sl. No.	Name of Project
1.	Latur-Latur Road of Miraj-Latur
2.	Luni-Samdari-Jasai of Luni-Munabao
3.	Vadalur-Vriddhachalam of Chddalore-Salem
4.	Mangalore-Puttur of Hassan-Mangalore
5.	Dharmabad-Nizamabad and Bolarum-Secunderabad of Secunderabad-Mudkhed
6.	Katpadi-Tirupati
7.	Rajkot-Jetalsar of Rajkot-Veraval
8.	Surendernagar-Pipavav of Surendernagar-Bhavnagar with extr. To Pipavav

Doubling

112. Rs. 672 crore allocated in the Budget 2001-02 for Doubling were revised to Rs. 620 crore at the fag end of the financial year (2001-02) to double 200 route Kms. Out of which 45 Kms. has already been doubled by December, 2001. Against this revised estimate, the Ministry have allocated Rs. 608 crore (BE) under the same Plan Head during the current year.

113. When asked about the reason for failure to achieve physical targets for the year 2001-02 the Ministry of Railways in a written note submitted as under:

“The Budget allotment for doubling works during 2001-02 was Rs. 604 cr. (excluding Rs. 68 cr. Under BOLT). From this, certain re-appropriations were necessitated due to the need to provide funds for the Konkan Railway Corporation. In the revised Budget estimate, Rs. 620 cr. has been provided for doublings during the current year and is likely to be fully spent. The physical targets for doubling during 2001-02 was 300 kms. The doubling projects should normally take 3-4 years for its completion. The throw forward of ongoing doubling projects as on date is about Rs. 4000 crs. Considering the completion period of 3-4 years, the ideal outlay on yearly basis for doubling projects is of the order of Rs. 1000 cr. (without considering escalation and inflation). 150 kms of doubling is likely to be completed during 2001-02. The main reasons for shortfall have been the prolonged monsoon, slow progress of works and failure of contractors”.

Rolling Stock

114. Rs. 3850 crore were allocated under the Plan Head-Rolling Stock at the budgetary stage during the year 2001-02, and the same was revised to Rs. 3473 crore at the revised stage. Simultaneously, physical targets were also revised downward particularly in case of wagons. The budgetary target for wagons (in terms of 4-wheelers) has been revised to 17000 from 23000. 8034 wagons have already been procured by December, 2001. Against this revised estimate, the Ministry of Railways have allocated Rs. 3771 crore in the current year's Budget.

115. The Ministry of Railways have stated that the physical targets under this head are commensurate with the financial targets revised so far. Physical targets of Production Units (PUs) for 2001-02 are as under:—

1. Chittranjan Locomotives Works, Chittranjan	73 Electric Locos
2. Diesel Locomotive Works, Varanasi	90 Diesel Locos
3. Integral Coach Factory, Chennai	995 Coaches
4. Rail Coach Factory, Kapurthala	1158 Coaches

5. Wheel & Axle Plant, Bangalore	88350 wheels 35900 Axles
6. Diesel Component Works, Patiala-Rebuilt	63 Diesel Locos
7. Wagons including those manufactured in 3 Railway Workshops (not manufactured in PUs but mostly out sourced)	1700 Wagons

116. To a query from the Committee whether the present policy of purchasing/adding new rolling stock require a reorientation, the Ministry of Railways have submitted as under:

“The policy of procurement of new rolling stock envisaging additional of rolling stock with due cognizance to the volume of traffic, utilization of various types of rolling stock and suitable upgradation of technology of the assets. No change in procurement policy is considered necessary”. They further added. “The procurement of rolling stock is based on requirements *vis-a-vis* the volume of traffic projected, both for freight and passenger traffic. While the road assessment is done on the basis of five year plan periods, the requirement is reviewed annually to five tune the requirements for every year. This requirement covers both requirement of additional rolling stock and that required for replacement of over-aged rolling stock, due for condemnation. As the procurement of all types of rolling stock is assessed objectively year-wise, the investment required, based on physical numbers and unit costs vary from year-to-year. Planning of procurement of rolling stock is therefore done on the basis of traffic requirements and utilization of assets and not on rate of return basis.”

Safety

117. A comparative position of train accidents during the last five years is as under:

Year	Accident Due to Derailments	Accident Due to Level Crossing	Accident Due to Fire in Trains	Total
1996-97	282	65	4	377
1997-98	285	66	6	393
1998-99	292	67	5	388
1999-00	325	93	21	459
2000-01	344	83	15	464#

* Excludes 9 accidents on Konkan Railway.

118. (a) Pursuant to the recommendation of the Railway Safety Review Committee (Khanna Committee) a Special Railway Safety Fund with a non-lapsable corpus of Rs. 17000 crore has been set up in the current year to wipe out arrears of replacement and renewals of over-aged railway assets within a fixed time frame of six years. For this, the Central Government has agreed to provide Rs. 12000 crore over a period of six years without dividend liability and Rs. 5000 crores is to be mobilised by the Ministry of Railways through levying a safety surcharge on passenger fares over the same period. Rs. 1400 crore (Rs. 1000 crore from Central Exchequer and Rs. 400 crore from passenger fare surcharge) has been provided in the current year *i.e.* 2002-03.

(b) The Committee observed that out of 464 train accident, 85.95% accidents are due to human failure. The following statement shows the consequential train accidents:—

Broad Causes	1996-97	1997-98	1998-99	1999-2000	2000-2001
Failure of Railway staff	237	262	268	287	293
Equipment failure	37	38	33	28	33
Other than Railway staff	65	67	63	105	109
Sabotage	12	13	11	21	19
Combination of factors	1	3	1	—	4
Incidental	12	9	14	15	11
Under investigation	—	—	—	—	—

119. Human failure remained the major cause of accidents. It can be seen that the increase in failure of persons other Railway staff has increased approximately by 64% after 1998-99 and cases of sabotage increased by about 90% during the same period.

120. Elaborating the importance to the safety aspect, the Ministry of Railways have submitted as under:

“Railways accord highest priority to safety and steps for enhancing safety are a continuous process on Indian Railways. In order to implement one of the recommendations of RSRC Part-I, a non-lapsable Special Railway Safety Fund of Rs. 17000 crores has been set up to wipe out arrears in renewal of over-aged assets, within a fixed time frame of 6 years. Major priority area for improving safety including technological improvement and replacement of overaged assets have been planned subject to availability of funds.

(b) The break-up of proposed expenditure in 2002-03 by the Plan Heads and allocation is given below:—

Sl.No	Plan-Head	Amount Allocated (Rs. In Crore)
1.	Track Renewals	1661
2.	Bridge Works	143.30
3.	Signalling & Telecommunication	505
4.	Rolling Stock	280
5.	Other Electrical Works	0.50
6.	Machinery & Plant	9.0
7.	Other specified works	0.5
8.	Less Credits for released material	-389.30
Grand Total		2210.0

(c) While appreciating the concern expressed by the Members, the Ministry of Railways in their reply have stated as under:

“It is a fact that human failure is the major factor causing train accidents. There is a laid down procedure for intensive training of railway staff connected with train operation and safety. Regular review is done by the officers and supervisors at regular intervals. Modern training aids like Simulators etc. have been introduced for training improvement in various training institutes. Upgradation of other training aids and steps for revamping the system of training has been initiated so that manpower is more skilled and trained for alertness. However, accidents occurring due to failure of other than Railway staff pose serious problem as such factors are extraneous and Railways have got a little or no control over such situations. Regular publicity campaign utilizing electronic and print media is done by Railways for creating awareness in general public for taking precautions”.

Signalling and Telecom Works

121. Signalling and Telecom works were allocated Rs. 425 crore in the Budget 2001-02, which were later on revised to Rs. 415 crore at the fag end of the year 2001-02. Against this revised outlay, the Ministry of Railways have made a provision of Rs. 725 crore during the current year's Budget.

122. Giving the details of the progress made under this Plan Head, the Ministry of Railways have informed that the provision of modern signalling systems, such as, Multiple Aspect Colour Light Signalling (MACLS), Panel Interlocking (PI), Route Relay Interlocking (RRI), Solid State Interlocking (SSI), Automatic Block Signalling and various safety aids at level crossing gates are provided section-wise and are not normally restricted to only stations like "A" class. The provision of these modern signalling devices and safety devices at level crossing gates on Indian Railways as on 31.3.2001 is given in the Table below:—

Sl.No	Item	Provided as on 31.03.2001
(i)	MACLS	3009 Stns.
(ii)	PI	2103 Stns.
(iii)	RRI	219 Stns.
(iv)	SSI	13 Stns.
(v)	Interlocking of Level Crossing	6283 Nos.
(vi)	Telephones at Level Crossing	14227 Nos.
(vii)	Automatic Block Signalling	3419 T kms.

123. Responding to a query regarding the ideal investment requirement of this Plan Head, the Ministry of Railways have submitted as under:

"To ensure requisite level of safety from signalling and telecom installations, regular yearly investment commensurate with the requirements is needed. For the year 2002-03, an allocation of Rs. 725 crores has been made including funds available through SRSF. Considering the need of further replacements of overaged signalling gears, introduction of safety devices and provision of required telecom facilities annual allotment of Rs. 1000 crores approximately would be ideal under this Plan Head".

124. The plan of the Railways to provide above signalling systems at various stations and level crossing gates is given in table below:—

Sl.No.	Item	Total	Provided as on 31.3.2001	Sanctioned work	Balance
(i)	MACLS	5692 Stns.	3009 Stns.	1363 Stns.	1320 Stns.
(ii)	PI/RR/SSI	5692 Stns.	2335 Stns.	1494 Stns.	1863 Stns.
(iii)	Interlocking of manned level Crossing gates	16424 Nos.	6283 Nos.	674 Nos.	9567 Nos.
(iv)	Telephones at manned level Crossing gates	16424 Nos.	14227 Nos.	332 Nos.	1865 Nos.

125. The physical targets fixed for the year 2001-02 and for the year 2002-03 are shown in the table given below:—

Sl.No.	Item	Targets	
		2001-02	2002-03
(i)	MACLS/PI/RR/SSI	120 stns	220 stns
(ii)	Interlocking of Level Crossing	175 nos.	300 nos.
(iii)	Telephones at Level Crossing	200 nos.	300 nos.
(iv)	Automatic Block signalling Targets are likely to be met	31 Track Kms	54 Track Kms

Track Renewal

126. Under the Plan Head—Track Renewal Rs. 2050 crore were allocated, which were revised to Rs. 1856 crore to renew 3400 Kms. (primary 2750 track kms. + secondary 650 track kms.). However, the physical target has been revised to 3300 track kms. (primary 2500 track kms. + secondary 800 track kms.). Against this revised financial estimates, Rs. 2704 crore have been allocated under the said Plan Head to achieve a target of 4000 track km. (primary 3300 + secondary 700 km.).

127. Explaining the criteria for sanctioning the Gauge Conversion projects, the Ministry of Railways have submitted as under:

“As per the Ministry of Railways, the arrear of track renewal as on 1.4.2001 was 12,500 km. on Broad Gauge and 5000 km. on Meter Gauge and Narrow Gauge. For liquidating the backlog, a non-lapsable Special Railway Safety Fund (SRSF) of Rs. 17000 cr has been set up for renewal of over-aged assets which also includes track renewals. SRSF is an additionally during 2001-02, a non lapsable Special Railway Safety Fund (SRSF) of Rs. 17000 cr has been set up for clearing the backlog of replacement of overaged assets, which also includes track renewals.

Track Renewal works are sanctioned on age-cum-condition basis. The sanctioned works are prioritized keeping in view the condition of track and importance of the route. The track which is overdue renewal, is kept under strict watch and every effort is made to ensure that it is kept in safe condition for the speed permitted. However, in some cases where the track renewals are overdue and are neither sanctioned nor likely to be taken up in near future, such stretches are kept under watch and speed restricted with a view to ensure safety of train operation. Thus no compromise is made with regard to safety on account of averaged track”.

128. They further added that to cater for the annual arisings, an average allotment of Rs. 2000 cr (Net) would be required. For year 2002-03 the proposed budget allotment is Rs. 1428 cr (Net). Shortfall is expected to be made good in coming years as internal generation pick up.

Road Over/Under Bridges and Unmanned Level Crossings

129. Two new Plan Heads for conversion of unmanned level crossings to manned crossings and construction of Road Over/Under Bridges were created in the year 2000-01. The Ministry of Railways allocated Rs. 50 crore under Plan Head—'Road Safety Works—Level Crossings' and Rs. 250 for the Plan Head—'Road Safety Works—ROB/RUB' during the year 2001-02. These financial targets were revised to Rs. 74 crore and Rs. 129 crore respectively at the revised stage of Budget. During the current year Rs. 125 crore and Rs. 325 crore have again been allocated respectively under the same Plan Heads.

130. Furnishing the details of the works under this Plan Head the Ministry of Railways have informed the Committee that a number of works are taken up for execution on the basis of allotted funds and likely time of completion of such works. During 2001-02 a total of 202 unmanned level crossings have been converted into manned level crossings. Similarly, during 2001-02 a total of 13 Road Over Bridges/Road Under Bridges are expected to be completed under Plan Head 'Road Safety Works—Conversion of Level Crossings into Road over/Under bridges'. Targets for manning of level crossing has not been indicated, however it was targeted to man 200 unmanned level crossings during the year. Regarding the details of the important steps taken by the Government to improve the safety at Unmanned level Crossings, the Ministry of Railways submitted that (a) the unmanned level crossings are progressively being manned in a phased manner. The initial cost of manning of unmanned level crossings, has to be borne by the Road authority concerned and annual operating & maintenance cost is to be borne by the Railway, (b) Education of road users about safety at unmanned level crossings by publicity campaigns through media like quickes on TV, cinema slides, posters, talks on radio, newspaper advertisements and street plays, (c) Chief Secretaries of States have been requested to help in educating road users about safety precautions at level crossings and for exercising strict checks while issuing driving licenses, (d) Joint Ambush Checks with civil authorities are conducted to nab errant road vehicle drivers under the

provisions of the Motor Vehicles Act, 1988 and the Railways Act, 1989, (e) Involvement of village Panchayats in the railways public awareness programmes. Putting up level crossing safety posters at village panchayat offices and at retail petrol pumps, (f) On the road approaches, 'Stop Boards' are provided on either side of the level crossings at suitable points within the railway boundary to warn the road users. Speed breakers/rumble strips have been provided on road approaches to level crossing so that road vehicle drivers reduce their speed. Whistle Board are provided on rail approach to level crossings for train drivers to whistle from the whistle board till such time as the train passes the level crossing gate.

131. Elaborating the progress of their efforts in converting the unmanned level crossings under MPLAD Scheme, the Ministry of Railways have informed the Committee that till date, proposals for maintaining of 49 unmanned level crossings under MPLAD Scheme have been received from 38 Hon'ble Members of Parliament. Out of these during 2001-02 proposal received are 6 nos. Funds from MPLADS have been fully/partially released to the Railways for manning of 17 level crossings only. Out of these 17 level crossings, work of manning of 8 level crossings has been completed and on 9 unmanned level crossings, work is in progress.

132. Regarding the progress under ROB/RUBs Plan Head the Ministry of Railways have informed the Committee that the construction of over bridges is a joint work of Railways and State Govt. Railway construct the bridge portion over the Railway track and State Govt. constructs approaches to the bridge. Utilization of funds depends upon the physical progress of the works. 29 Nos. of Road over/Under bridges are targeted for completion during the year 2001-02 as given in the Performance Budget. 30 numbers of ROB/RUBs are targeted for completion during the year 2002-03.

133. Responding to the hardships of the Railways in the process of execution of ROB/RUBs, the Ministry of Railways have stated that:

- Delay in finalisation of approach alignment by State Govt./Local Bodies.
- Delay in acquisition land by State Govt./Local Bodies.
- Delay in finalization of General Arrangement Drawings, preparation of estimates for approaches and sanction of same by State Govt./Local Bodies.

- Delay in diversion of existing road traffic of level crossing to facilitate construction of ROB/RUB work by State Govt./ Local Bodies.
- Constraints of fund with the State Govt. for these works.
- Non-inclusion of work in their annual plan by State Govt.
- Hesitancy of State Govts. to give undertakings along with the proposal for ROB/RUB for closure of level crossing on completion of over bridge or even to bear their share of cost for the work etc.

Electrification

134. During the current year's Budget the Ministry of Railways have earmarked Rs. 238 crore for carrying out electrification works against the revised estimate of Rs. 325 crore. The budgetary target of 350 route kms. fixed were revised to 430 route kms., out of which 216 route kms. has already been electrified.

135. Responding to the status of progress, ideal investment requirement under this head and problems being faced by the Ministry of Railways, the Ministry of Railways have explained to the Committee that so far, 335 Route Kms. have already been energized till Feb., 2002. Balance 95 Route kms. as per the revised targets will be achieved by March, 2002. Yearly allocation of about Rs. 350 crores under Electrification Plan Head would enable the ongoing sanctioned projects to be completed within a reasonable period of three to four years. The throw-forward of electrification works as on 1.4.2002 is Rs. 933 crores. The major problems in the area of electrification projects are unreasonably high electricity tariffs charged by the State Electricity Boards and constraints of adequate availability of funds etc. The following steps are being taken by the Ministry of Railways to tackle the problems.

Passenger Amenities

136. During the year 2001-02 the Ministry of Railways made a budgetary provision of Rs. 200 crore for the passenger amenities works, which have been revised to Rs. 168 crore. Against this revised estimates the Ministry have allocated Rs. 200 crore under the same Plan Head during the current financial year.

137. Responding to the suggestion of the Committee regarding preparation of a perspective plan, the Ministry of Railways have stated that perspective plan has been made to improve customer interface process and make it customer friendly. Under this plan, the Ministry of Railways stated to have initiated various steps like extension of PRS, development of National Train Enquiry System, Unreserved Ticketing System etc. Customer Interface staff is being trained in Zonal Training Centres and Customers Care Institute to improve interpersonal skills.

138. Regarding STD/ISD facility in running trains the Ministry of Railways have informed the Committee that on a few Rajdhani Express trains, services of STD/ISD facility were provided by using satellite (INMARSAT) telephones in association with VSNL. This service has been provided in 9 pairs of Rajdhani Express trains, but the patronage of this service is poor. In view of poor patronage, there is no proposal to extend these services.

139. Explaining the reasons for not fixing the physical targets under this Head, the Ministry of Railways have submitted as under:—

“It is not feasible to fix annual physical targets for the works under Plan Head Passenger Amenities. Instead, a long term perspective planning has been done for provision of Minimum Essential Amenities at all the stations. Under the extant guidelines, every station, depending upon the annual earnings, has to be provided with certain laid down Minimum Essential Amenities. Additional passenger amenities are provided as per scale over the stations which are identified as model stations. Railways endeavor is to eliminate the deficiencies and plan the annual Works Programme accordingly. Every year, large number of new works varying from small works like provision of water taps to large works like new station buildings are planned under Passenger Amenities and all out efforts are made to complete the works at the earliest”.

Indian Railway Catering and Tourism Corporation

140. A policy decision was taken by the Railways to establish a Corporation to take care of Catering Services alongwith the development of activities of Tourism and pursuant to this Indian Railway Catering and Tourism Corporation was created in 1999. Subsequently it was decided that the said Corporation will start functioning from 01.04.2002. During the course of oral evidence of the representatives of the Ministry of Railways, it came to the notice of the Committee that the Corporation has not become fully operational from the cut out date.

141. Responding to the concerns echoed by the Members of this Committee regarding the delay in full commissioning of this Corporation, the Member Traffic submitted as under:—

“Sir, it is a fact that it was decided that from 31st March, 2002, the entire catering will go to Indian Railway Catering and Tourism Corporation, but because of certain logistic problems, it has not been possible. Now, as far as departmental catering is concerned, there is no problem because they happen to be our staff. Now, as far as other catering is concerned, we have already permitted them extension for two months or till their cases are finalized.”

Projects in North Eastern Region

142. The then Prime Minister Shri H.D. Deve Gowda announced new initiative for the North East Region at Guwahati on 27.10.1996. Later on, Prime Minister in the Conference of Governors and Chief Ministers of North Eastern States and Sikkim held on 21-22 January 2000 announced an Agenda for socio-economic development in the North East and Sikkim. The status of projects covered in the PM's package is given in the Annexure.

143. The total budgetary support for Railways, budget provision made for Northeastern region and actual expenditure incurred so far by the Railway during last five years and provided during the current year is as under:—

“The amount granted is Rs. 450 crore. This is the budgetary support. Out of this we take out Rs. 450 crore for diesel cess, which is used exclusively for ROBEBs. About Rs. 2150 crore is for Special Railway Safety Fund.”

Year	Budgetary Support to the Railways @	Allotment made for NE Region	Expenditure incurred
1996-97	1465	153	202
1997-98	1992	338	236
1998-99	2185	206	207
1999-2000	2588	258	264
2000-01	3196	288	291
2001-02 (RE)	3440	328	144#
	+ 898*		

@ From 2000-01 onwards, the Budgetary Support is excluding the amount spent on/ allocated to Udhampur-Srinagar-Baramulla new line project, which is National Project.

Expenditure incurred till end of December, 2001.

* Rs. 898 cr. given for accelerating the progress of certain identified works. It includes additional Rs. 100 cr for Udhampur-srinagar-Baramulla project. It also includes Rs. 40 cr. allotted for Gauge Conversion of New Jalpaiguri-Siliguri-New Bongaigaon project of Northeast Frontier Railway.

144. As regards funding of the projects, it has been stated that all new line, gauge conversion and other projects are funded from budgetary support. However, the Bogibeel rail-cum-road bridge is, to be executed on cost sharing basis between Ministry of Railways and Ministry of Road Transport & Highways.

145. The Ministry of Railways have also informed the Committee that no separate request has been made for budgetary support for the North East Region as the same is sought for the Railways as a whole. As per the policy, 10% of budgetary support is being invested in the North East Region. However, in order to expedite progress of works in the North East Region, a reference has been made to Deptt. of Development of North East Region for providing addl. fund to the tune of Rs. 550 crs. per annum from Non-Lapsable Central Pool of Resources.

146. Explaining the reasons for not allocating funds as per the criteria of 10% the budgetary support during the current year, the Financial Commissioner submitted before the Committee as under:—

“The amount granted is Rs.5840 crore. This is the Budgetary support. Out of this we take out Rs.450 crore for diesel cess, which is used exclusively for ROREBs. About Rs.2150 crore is for Special Railway Safety Fund. Part of it will come under the NF Railways. Out of this Rs.288 crore is under projects which are shown in the documents. In addition Rs.97 crore is for other works like doubling, etc. The total comes to Rs.385 crore. This Rs.385 crore is short by Rs.19 crore which will be made good during the year.

147. The following statement shows the Target and achievement in N.E. Region from 1996-97 to 2001-02.

Target and Achievement in N.E. Region From 1996-97 to 2001-02

Year	Target	Km	Achievement	km	Target	km	Achievement	Km
1	2	3	4	5	6	7	8	9
1996-97	Jogighopa-Goalpara	18	—	—	Furkating-Dibrugarh	241	Furkating-Dibrugarh	241
					Tinsukia-Lekhapani	63	Tinsukia-Lekhapani	63
1997-98			Jogighopa-Goalpara	18	Jorhat-Furkating	67	Jorhat-Furkating	67
					Simalguri-Moranhat	55	Simalguri-Sibsagar	16

1	2	3	4	5	6	7	8	9	
1998-99	Goalpara-Guwahati	124		Nil		Mariani-Jorhat	20	Sibsagar-Moranhat Manani-Jorhat	39 20
1999-2000			Goalpara-Guwahati	124					
2000-01					Anguri-Tuli	15			Nil
					Makum-Dangri	31			Nil
2001-02							Anguri-Tuli Makum-Dangri		15 31

148. There has been some delay in physical implementation of the project for following reasons:

- (a) Bogibeel bridge—Detailed final location survey including river behaviour study, model studies and seismic studies are required to be done for such an important bridge. The hydraulic model study have been done by Uttar Pradesh Irrigation Research Institute (UPIRI) and the seismic study by IIT, Kanpur. Based on the studies the configuration and the preliminary design of the bridge has been done. The studies are quite intricate and have taken considerable time. The final location survey has since been completed and now the work is being taken up.
- (b) Kumarghat-Agartala new line—The cost of this project is about Rs. 895 crs. There is heavy investments. Based on the overall availability of budgetary support, funds have been allocated to this project and is being progressed accordingly.
- (c) Guwahati-Burnihat new line—The work could not be taken up as State Govt. did not agree with the proposed line. Later on new line from Dudhnoi to Depa was included in the Budget but in this case also land has not yet been made available by the State Government. Based on the request of State Govt., a survey for new line from Azra to Burnihat has recently been sanctioned and is being taken up.

149. Apart from the projects mentioned above, the other major projects presently under progress in the region are:

- (i) New Jalpaiguri-New Bongaigaon gauge conversion
- (ii) Lumding-Silchar gauge conversion

- (iii) Katakhal-Bhairabi gauge conversion
- (iv) Diphu-Karong new line
- (v) Harmuti-Itanagar new line
- (vi) New Moinaguri-Gogighopa new line
- (a) The projects mentioned at (i) and (ii) above are in progress where formation works etc. have been taken up. The other projects are in initial stages.
- (b) As per the survey report, the cost of construction of 6 km long line was assessed as Rs. 15 crore with a negative rate of return. The proposal could not be considered due to unremunerative nature and constraint of resources. The survey for gauge conversion of Rangia-Murkongselek, Balipara-Bhalukpong and Nangapara-North Tezpur has also been completed. However, it could not be considered due to heavy throwforward of on-going projects.
- (c) The final location survey of Bogibeel bridge has already been completed. Land acquisition has been taken up. Part detailed estimate covering land, earthwork, guide bunds and boulder collection, infrastructure facilities etc. has already been sanctioned. Tenders have been processed for boulder collection and infrastructure facilities. As per the survey report, double line rail track with two lane road has been proposed. However, after examination of the report in the Ministry, it has been decided that only single rail track may be sufficient to deal with the anticipated and future traffic. Accordingly, report is being recast for single line rail track with two lane of road traffic. As per the survey report, the cost of the bridge, rail and roadlinks have been assessed as Rs. 1767 crs out of which the cost of bridge is Rs. 782 crs with the adoption of single rail track, it is expected that the cost of bridge may reduce by 20-25%.

150. Details of projects mentioned in Prime Minister's package are as under:—

Sl. No.	Name of Project	Cost Rs. in crs.	Expected expenditure upto 31.3.2002	● Outlay 2002-03 Rs. in crs	Status
1	2	3	4	5	6
1.	Kumarghat-Agartala new line	895	200.94	80	Earthwork and bridge works are in progress. Geotechnical investigations for tunnels have been taken up. Kumarghat-Manu (21 km) is targeted for completion during 2002-03.

1	2	3	4	5	6
2.	Dibrugarh-Dimapur	758	716.79	1.99	Completed and commissioned.
3.	Rail-cum-Road bridge at Jogighopa	571.7 (Rly Share)	556.7	5	Line from Jogighopa to Guwahati including rail-cum-road bridge completed and commissioned. The work was executed on cost sharing basis between Ministry of Railways and MOST.
4.	Rail-cum-Road bridge at Bogibee	1500	3.02	40	Final location survey including preliminary design has been completed. The report is being recast to suit for single line rail track and two lane road traffic. However, land acquisition, earthwork, boulder supply and other infrastructure works are being taken up.
5.	Guwahati-Burnihat new line				The work could not be taken up as State Govt. did not agree with the proposed line. Later on new line from Dudhnoi to Depa was included in the budget but in this case also land has not yet been made available by the State Government. Based on the request of State Govt, a survey for new line from Azra to Burnihat has recently been sanctioned and is being taken up.

RECOMMENDATIONS/OBSERVATIONS

Railways' role as Infrastructure Provider

151. The Railways have proved itself as a lifeline of the national economy and an essential means of connectivity among the people of different walks of life from different States having diverse linguistic and cultural background. They have also come-up to the expectation during the eventualities arisen due to wars and natural calamities. The Railways have the biggest infrastructure network in our country. But still there is a vast backward/underdeveloped area to be covered by them. Unfortunately, the required level of investment of resources is not forthcoming. The Committee feel that rail sector has not yet received the main emphasis in transport sector in India despite its many economic and environmental advantages. The Committee desire that it is high time that the Railways' role as major infrastructure provider for the economy is reinforced in the right spirit.

Railways' Share in Transport Sector

152. The Committee are surprised to find that the Ministry of Railways (Railways Board) do not maintain necessary data in respect of Railways' share in transportation. However, it is a fact that the Railways' share in movement of the goods and even passengers vis-a-vis road transport has declined significantly over the years. The Committee fail to understand how the Railways prepare and adopt their perspective planning in the absence of such vital data for increasing their share in the transport sector. Though the freight movement all over India has increased manifold, the Railways have failed to attract the same as compared to road transport perhaps due to capacity constraints on major trunk routes which carry the bulk of both passenger and freight traffic; inadequate provision for replacement of over-aged assets; time and cost overruns in execution of the Railway projects and above all lack of perspective planning. The Committee are therefore, of the view that in order to regain their share in the transport sector, the Railways should focus on (a) qualitative capacity augmentation, adopting corrective pricing policies and organizational change; (b) technology upgradation and modernization; (c) replacement of over-aged assets; (d) improvement in productivity; (e) enhancing safety of rail operations; (f) enlarging the scope of private sector participation; (g) introduction of door to door service for freight movement; (h) increase in speed of freight trains; (i) laying of additional track alongwith the existing track on quadrilateral and diagonal routes specially for goods traffic; and (j) embarking on a vigorous marketing drive with the aim of winning the both goods and passenger traffic; etc.

Inter-model Transport

153. The Committee feel that there is competitive pressure on Indian Railways in the liberalized economy which requires that their freight and fare structure be made more appropriate to attract larger volume of traffic, especially keeping in view the long term interest of the Railway system to ensure their financial viability. There is an urgent need to promote inter-model for safe, customer friendly and faster movement of goods by increasing Inland Container Depots which should be established at the crossings of the three modes of surface transport that is rail, road and inland waterways so that cost and time involved in transportation could be minimized. The Railways should also focus on creation of rail hubs with sufficient warehousing facilities and accelerate the programme of containerization not only to promote inter-model transport but also as a strategy for increasing their own market share and catering to high value traffic.

Operating Ratio

154. The Committee note that the financial health of the Railways over the years has not been quite encouraging perhaps due to reduction in traffic and increase in their operating ratio. Though there seems to be a slight improvement in their operating ratio which has been revised downwards at 96.6% against 98.8% in 2001-02 and projected at 94.4% for 2002-03, there are some Zonal Railways such as Eastern Railway, North-Eastern Railway, Northeast Frontier Railway and Southern Railway which have been operating at very high costs since long. The Committee express their concern over the failure of the Railways in improving performance of these Zonal Railways over the years. The Committee desire that the Railways should find out the root causes of continuous poor performance of these Railways and concentrate on effecting improvement in their operations.

Market Borrowings

155. The Committee find that the Railways had begun market borrowing through the Indian Railway Finance Corporation (IRFC) since 1987-88 to augment resources to fund the Railways' expansion and modernization plans specially by replacing over-aged rolling stock, for increasing their carrying capacity, productivity assets and revenue earning capacity. However, the Committee find that the

Railways have not conducted any study in order to find out the extent of impact of purchase of new rolling stock with the help of market borrowings in reducing repair and maintenance cost, increasing operational efficiency, safety improvement, reduction in depreciation cost, etc. The Committee are apprehensive that in the absence of such vital data/study how the Ministry of Railways could justify such higher lease charges and continuance of the market borrowings through IRFC which is a costlier option as compared to budgetary support and internal generation. The Committee, therefore, recommend that the Railways should undertake an in-depth study in the matter and prepare necessary data and place the same before the Committee.

Land Management

156. The Committee find that the Railways own about 4.23 lakh hectares of land which is mainly used for locating service and operational infrastructure such as track, stations, workshops, staff colonies, etc. The Committee observed earlier that the Railways must set up a separate competent Land Management Authority at the zonal railway level if necessary so that a proper and scientific management of their land records could be ensured. However, the Committee have been informed during evidence that the Railways have not yet updated their land records. The Committee also find that there is no change in figures of Railway land under encroachment despite the fact that the Railways have put vigorous efforts to remove the encroachment over the years. It is therefore, obvious that either the figures shown in the Budget are incorrect or the Railways have totally failed in removing the encroachments over their land. The Committee take a serious note of the failure of the Railways' in completing their land records and desire that the same should be completed without further delay in a computerized form so that a perspective planning for commercial utilisation of their land could be made.

Revenue Leakages

157. The Committee find that there are a number of areas prone to widespread corruption in the Railways such as passenger booking; goods, parcel and luggage booking; purchase of materials; recruitment; disposal of scrap; over-payment to staff and works executed through agencies, etc. Though the Committee have been informed that the Railways have taken a number of steps in order to curb the revenue

leakages, there remains a wide gap to be covered for checking the prevailing corruption. Mere issuance of guidelines or making provision of strict norms would not give the desired results unless strict implementation of these guidelines/norms is ensured and responsibility is fixed at the highest level. The Committee desire the Railways to take result-oriented measures to curb this menace and apprise the Committee about the financial impact of these measures on the Railways' financial health.

Unrealized Receipts

158. The Committee find that the closing balance of unrealised receipts in March 2000 was Rs. 1662.17 crore and fresh net accretion of Rs. 406.83 crore in 2000-01 resulted in a closing balance of Rs. 2069.00 crore in March 2001. The Committee find that the reason for accretion under the Head 'traffic suspense' has been non-payment of complete dues by the State Electricity Boards/Power Houses. The Committee express serious concern over non-clearance of the Railway dues by these agencies and desire that the Planning Commission and the Ministry of Finance should take into serious consideration these financial irregularities while finalizing budgetary support for the Railways or the Central/State Governments should give counter-guarantee to the Railways' to this effect. Simultaneously, the Ministry of Railways should also take up this matter with the Ministry of Power and in case nothing tangible comes out, they should insist on Pre-payment of freight charges.

Ninth Plan Allocations

159. The Ninth Plan of the Railways was envisaged to be of the size of Rs. 45413 crore with a budgetary support of Rs. 11791 crore. At the end of the Plan, the actual size has been estimated to be of Rs. 46,405 crore with a budgetary support of Rs. 14,472 crore. However, the Committee find that the physical targets proposed could not be achieved during the Plan period in spite of more allocation of funds than envisaged except under the Plan Head Track Renewal, Electrification and Coaches. They are not at all convinced with the reasons given by the Ministry of Railways for attaining poor results under other Plan Heads particularly because the targets are fixed keeping into account all possible unforeseeable elements like

inflation, etc. in advance. The Committee are of the considered view that the malady lies in mismanagement and unscientific planning and execution of the projects by the Railways. The above view of the Committee was further strengthened when the representatives of the Planning Commission have deposed before them that more than 50% of the projects have been undertaken by the Railways without the concurrence of the Planning Commission. Therefore, the Committee cannot help but conclude that the Railways' built-in inefficiency, unscientific planning and inadequate provision of fixing of accountability on the part of officials responsible for project implementation are the major reasons for achieving results far less than the envisaged targets. These should be addressed effectively without any delay.

Annual Plan 2001-02

160. The Committee are constrained to note that the Ministry of Railways reduced their annual Plan for the year 2001-02 from Rs. 11090 crore to Rs. 10,857 crore. Had the Ministry of Railways not received an additional instalment of Rs. 2298 crore (Rs. 1000 crore under Special Railway Safety Fund, Rs. 400 crore under Passenger Surcharge and Rs. 898 crore as additional budgetary support for last mile projects) from the General Exchequer, their actual Plan size would have been around Rs. 8559 crore, showing a decline of 23% from the budgetary Plan size of Rs. 11090 crore. They find that the main reason for the reduced Plan size was insufficient generation of internal and non-traditional resources to the tune of Rs. 1442 crore. Even after taken into account the volatile nature of internal and non-traditional resources, the Committee are of the considered view that the faulty methods adopted by the Railways to assess the internal revenue estimates have led them to arrive at inflated figures and ultimately to a situation where they had to cut short their Plan size. The Committee also express their concern over the fact that the share of the Plan from internal generation has been going down and has touched the lowest level of 19% during the year 2001-02. They strongly recommend to the nodal Ministry that the planning and estimates of the internal resources meant for Plan outlays should invariably be based on realistic factors and not on optimistic figures.

Annual Plan 2002-03

161. The Annual Plan for the year 2002-03 has been estimated Rs. 12330 crore, comprising of Rs. 2630 crore (21.33%) from internal resources, Rs. 3000 crore (24.33%) from market borrowings, Rs. 5840 crore (47.36%) from budgetary support and Rs. 860 crore (6.97%) from passenger surcharge. Keeping in view the past experience, particularly in respect of internal generation of resources, the Committee doubt the capacity of the Railways to generate internal resources upto the estimated level. Their doubt is confirmed from the fact that the Railways proposed only Rs. 280 crore to the Planning Commission at the initial stage to fund their Annual Plan from the internal generation. However, the Planning Commission approved Rs. 2630 crore as a part of the Plan to be financed from internal generation. No doubt, the Railways have planned to generate Rs. 1360 crore (Rs. 910 crore from passenger fare and Rs. 450 crore from freight) more during the year 2002-03 by rationalising the tariff, but the Committee are still not convinced whether the Railways will be able to augment their internal generation up to the envisaged level. They, therefore, desire that the Ministry of Railways should make concerted efforts to minimise their expenditure and to realise more revenue, particularly from non-traditional sources. The Committee feel that there is scope for both.

Priority of Projects

162. The Cabinet Committee on Economic Affairs (CCEA) approved the priority of projects in November, 1998. Given the large shelf of ongoing projects which account for huge throw forward of more than Rs. 35000 crore approximately and inadequate and incommensurate resources available to fund these projects, the valuable resources invested during the years have resulted in unproductive assets due to sparsely spreading of these resources. The previous Standing Committee on Railways analyzed and examined the matter of prioritisation of the ongoing projects in detail and had recommended in their 9th Report on Demands for Grants 2001-02 that the existing priority of ongoing projects be reviewed and made realistic enough. The Ministry of Railways, in their action taken notes have also agreed with the view of the Committee and submitted that they are in the process of prioritising of ongoing projects with a view to allocating resources optimally so that resources are not spread too thinly. Unfortunately, the Ministry have

now changed their earlier stand and informed the Committee that the existing priorities fixed by CCEA in 1998 are adequate enough and the re-prioritisation is not necessary. The representatives of the Planning Commission and the Ministry of Finance have, in endorsing the view point of the Committee, categorically advocated the urgent need to re-prioritise the existing projects so that some tangible results could be achieved by completing the prioritised projects in the shortest possible time. The Committee, therefore, again strongly advise the Ministry of Railways to have a re-look into the matter of re-prioritisation and save the valuable resources which are resulting in wasteful and unproductive expenditure due to the existence of a very large shelf of projects.

Criteria for Allocation to States

163. In his Budget Speech the Union Minister of Railways has announced a new formula for making allocation to States based on how to address the issue of regional imbalance. According to this formula, a weightage of 15% each has been considered for the area and population of a State and a higher weightage of 70% has been accorded to the throw forward of existing railway projects in the State. Accordingly, the Ministry of Railways have distributed the funds State-wise. The Committee welcome the formula in question but with slight reservation about the population component. They consider that the backwardness of the State and revenue generation share of the State to the Railways will be relatively more realistic, appropriate and judicious criteria in comparison with the population component. Hence, the Committee desire that their above viewpoint needs to be considered positively and taken into account while allocating funds to various projects.

Progress of Projects in NE States

164. Even after 54 years of our independence, the North-Eastern Region of the country could not be brought into the mainstream of national development. Though this region remained strategically very important, it continued to be socio-economically backward and politically alienated for a long time. Since 1996 a new initiative had been taken to boost the socio-economic development of the N.E. Region and accordingly as a matter of policy, it was decided by the Central Government to provide 10% of the budgetary support for the development activities in that region. Pursuant to this decision,

the Ministry of Railways have been allocating funds to the N.E. Region to develop railway infrastructure. However, the Committee observe that the Ministry of Railways are not consistent enough while making allocations under the aforesaid policy. They also noticed that the Ministry did not even spend the allocated amount. During the preceding year i.e. 2001-02, the Ministry allocated Rs. 328 crore to N.E. Region, out of the total budgetary support of Rs. 4338 crore received from the General Exchequer, but incurred an expenditure of Rs. 144 crore only. During the current year also, Rs. 385 crore out of the budgetary support of Rs. 4040 crore has been allocated. The Committee have, therefore, come to the conclusion that the Ministry of Railways have not given any indication that they are consistent and serious enough towards the development of railway infrastructure in N.E. Region which is not only strategically important but also under-developed and backward. The Committee also express their displeasure over the fact that even after 54 years of independence, all the capitals of N.E. States have not yet been linked with the railway network. They strongly recommend that the Ministry of Railways should not only allocate the mandatory minimum of 10% of the budgetary support, but earmark additional resources also for the development of railway infrastructure in the N.E. States. The Committee are also of the view that if the labour component of the Railway projects is met from the funds earmarked under the Rural Development Schemes, it will give a synergic effect to the implementation of the projects.

Passenger Amenities

165. Passenger amenities has always been a sacrosanct area which can never be compromised at the cost of other requirements of the Railways. The performance of the Railways at first sight is invariably judged with the passenger amenities available at the stations and in the trains. They also play the role of a catalyst to augment the railway traffic. The Committee express their unhappiness over the fact that the Railways have not paid the required attention to the provision of even basic passenger amenities at the stations and in the running trains. To add more to their dismay, the Railways have down-sized the allocation under this Head to Rs. 168 crore from budgetary provision of Rs. 200 crore during the year 2001-02. During the evidence of the Representatives of the Railways, it came to the notice of the Committee that though the Indian Railways Catering and Tourism Corporation (I.R.C.T.C.) was established in the year

1999, it started functioning only w.e.f. 31st March, 2002. However, the Corporation did not become fully operational even on 31st March, 2002 and have allowed the existing private caterers' licenses to continue. The Committee express their strong concern over the way the I.R.C.T.C. has started functioning. They are of the firm opinion that the present state of affairs will compel the Railways to lose their earnings by extending licences of the private caterers. They also express their strong displeasure over this fact and desire to know the reasons as to why the I.R.C.T.C. could not become fully operational even after 3 years, thereby making it obligatory to continue to rely on the much-criticized private licensees.

Safety Allocations

166(a). Pursuant to the recommendation of the Railway Safety Review Committee, the Government have constituted last year a Special Railway Safety Fund with a non-lapsable corpus of Rs. 17000 crore to replace and rehabilitate the over-aged safety-related assets within a fixed time frame of 6 years. The Central Government have agreed to provide Rs. 12000 crore over this period without dividend liability and the remaining part of the Fund of Rs. 5000 crore will be mobilised by the Railways through levying a safety surcharge over the same period. The Committee note that Rs. 1400 crore (Rs. 1000 crore from Central Exchequer and Rs. 400 crore from passenger fare surcharge) were provided during the preceding year. During the current year Rs. 2210 crore (Rs. 1350 crore from Central Exchequer and Rs. 860 crore from passenger fare surcharge) have been provided to meet the requirement of safety-related works. The Committee desire that implementation of these works is reviewed at Railway Board Level, Zonal Level and Division Level so that the execution of works could be done as per the targets fixed.

Causes of Rail Accidents

(b). The Ministry of Railways informed the Committee that human failure remained the major cause of accidents and this has increased to 64% of the total causes of rail accidents after 1998-99. The Committee was apprised that intensive training of Railway staff and upgradation of training aids connected with the train operations and safety is being accorded priority by the Railways. However, the Committee are not satisfied with the assurances of efforts by the Railways for ensuring foolproof safety of passengers and goods.

During the study tours to the Zonal Railways, the Committee was informed that the drivers of the passenger trains, who did not conform to the prescribed test for safety or were found drunken were shifted to goods trains. This Committee do not endorse such minor penalties and recommend that such drivers must invariably be shifted to areas other than operation of trains and those who are found drunken during working hours must be punished with stringent Departmental action. The Committee further recommend that to accord more priority to the safety-related works, a Special Cell under the direct supervision of Chairman Railway Board be constituted to give an accurate feedback to implement and review the works being funded under the Special Railway Safety Fund.

Diversion of Funds

167. The diversion of funds from one work/Plan Head to another work/Plan Head within a particular source of funding is termed as 'Re-appropriation' by the Railways. The Ministry of Railways informed the Committee that these re-appropriations are carried out in accordance with the existing provisions under Paras 376 & 377 of Indian Railway Financial Code, Volume-I. According to these provisions, the Ministry of Railways is permitted to re-appropriate any amount from one work/Plan Head to another within same sources of financing. The Ministry further informed the Committee that certain re-appropriations were necessitated during the year 2001-02 to provide necessary funding to meet the liability of Konkan Railway Corporation. An amount of Rs. 132 crore was re-appropriated from the New Lines—Plan Head alone during the year 2001-02. However, the Ministry at the revised stage made available full funds to the aforesaid Plan Head after having received additional support from the Central Exchequer. The Committee totally disapprove of the prevalent practice of re-appropriation in the Ministry and recommend that the existing provisions under Paras 376 & 377 of the Indian Railway Financial Code, Volume-I empowering the Indian Railways to re-appropriate from one work/Plan Head to another with the same source of finance be repealed.

168. The Committee recommend that a Zonal Committee consisting of all Members of Lok Sabha and Rajya Sabha from that zone be constituted by each Zonal Railway by the end of current Budget Session and it shall hold at least four meetings in a year during the inter-session period of Parliament.

169. The Committee also recommend that the suggestions made by the Members of the Committee at Annexure may be implemented in letter and spirit.

ANNEXURE

SUGGESTIONS MADE BY THE MEMBERS OF THE
STANDING COMMITTEE ON RAILWAYS

Name of the Member	Suggestions
1	2
Dr. Madan Prasad Jaiswal, MP	<ol style="list-style-type: none"> 1. Betia railway station be made a model station as it is also a part of Champaran of which Motihari has already been declared as model station. 2. Jai Nagar-Narkatia Ganj gauge conversion project be expedited. 3. Railway crossing for which Rs. 10 crore have been provided under MPLAD Scheme be manned expeditiously.
Shri Sohan Potai, MP	<ol style="list-style-type: none"> 1. A new train between Bilaspur and Jodhpur <i>via</i> Ajmer be introduced. 2. The long awaited demand of Chhattisgarh State for Dallirajahra to Raoghat new railway line be executed expeditiously. 3. Raipur-Dhamtari MG line be converted into BG line and connected to Dhamtari-Gunderdehi line.
Shri Jagdambi Prasad Yadav, MP	<ol style="list-style-type: none"> 1. Godda and Lalmatia be connected to Mandarhill-Hasdiya railway line.

1	2
	2. Jamalpur Workshop, a training institute under Eastern Railway is being neglected. It should be revived and training in all trades be given.
Shri Bahadur Singh, MP.	1. A stoppage of Jan Shatabadi to be introduced this year be permitted at Sawai Madhopur and Bayana. 2. Ticketing facility be made available at Bayana.
Shri Rajo Singh, MP.	1. Saikhpura Railway Station be declared as model station. 2. Gaya-Quil route be electrified. 3. II-AC Coach be attached to Gaya-Howrah Express running <i>via</i> Kuil.
Shri Manikrao Hodlya Gavit, MP	1. Doubling of Surat-Bhusawal railway line be expedited.
Shri Priya Ranjan Dasmunsi, MP	1. The request for construction of subway is pending for the last 25 years in Kumedpur in Katihar Division. This needs to be constructed expeditiously. 2. Rs. 10 crore has been allocated for Katihar-Jogbani or Katihar-Radhikapur gauge conversion project. It should be clarified whether the allocated amount will be spent on Katihar-Jogbani Section or Katihar-Radhikapur section.

1	2
<p>and before the... South Bengal and Calcutta Board... Government... should have... Special Reserve... KATIHAR COACH... facilitate the... attention to... limit the... operations</p>	<p>3. Scrap yard presently located at Belur be shifted to some other place.</p> <p>4. Katihar-Radhikapur broad gauge conversion within N.F. Railway under Katihar Division shall be conducted in the following three phases:</p> <p>A. 2002-03: Barsoi-Raiganj</p> <p>B. 2003-04: Raiganj-Radhikapur</p> <p>C. 2004-05: Katihar-Barsoi</p>
<p>8. Large between... Assam Railway... which was... within time... the large... This is the... the Assam... Railway Co.</p>	<p>5. In the above three phases required amount should be augmented to begin with is Rs. 25 crores followed by the other amounts in the respective years.</p>
<p>in between... Chandernagore... Railway... new... Chandernagore... without... carry to be... sector... at Chandernagore... Industries of... West Bengal</p>	<p>6. Dalkhola Road over bridge on N.H. 34/31 within Katihar Division N.F. Railway should immediately be executed and Railway should take initiative to settle the land issue with Chief Secretary, Govt. of West Bengal without further delay.</p>
<p>11. The... Katihar... and... of the... Railway</p>	<p>7. Two A.C III Coaches should be attached with Gaur Express which runs between Malda and Sealdah everyday to facilitate the passenger since North Bengal is having critical patients who rush to South India and Calcutta in all Mail</p>

1	2
<p>1. The proposed train should be South bound and Calcutta bound originated from Guwahati/Alipurduar/NJP should have 2nd Class and Special Reserve Coach titled as 'PATIENTS COACH' to facilitate the patients and attendants to travel with comfort and reservation to such destinations.</p>	<p>and Express Trains which are South bound and Calcutta bound originated from Guwahati/Alipurduar/NJP should have 2nd Class and Special Reserve Coach titled as 'PATIENTS COACH' to facilitate the patients and attendants to travel with comfort and reservation to such destinations.</p>
<p>2. Linkage between Nasibpur and Azimganj Railway Station which was in existence during British times. It will facilitate the large number of people. This is the suggestion of Shri Adhir Choudhary, M.P.</p>	<p>8. Linkage between Nasibpur and Azimganj Railway Station which was in existence during British times. It will facilitate the large number of people. This is the suggestion of Shri Adhir Choudhary, M.P.</p>
<p>3. In between Samsi and Harish Chandrapur Station of N.F. Railway Katihar Division, the new Sub Divisional Headquarter is Chanchal without a Railway Link. A survey to be conducted this year for proposed railway link at Chanchal, Sub Division. Headquarter of North Malda, West Bengal.</p>	<p>9. In between Samsi and Harish Chandrapur Station of N.F. Railway Katihar Division, the new Sub Divisional Headquarter is Chanchal without a Railway Link. A survey to be conducted this year for proposed railway link at Chanchal, Sub Division. Headquarter of North Malda, West Bengal.</p>
<p>4. PRS (Computer Reservation) at Kaliaganj, Harish Chandrapur and Samsi of Katihar Division of N.F. Railway.</p>	<p>10. PRS (Computer Reservation) at Kaliaganj, Harish Chandrapur and Samsi of Katihar Division of N.F. Railway.</p>

1	2
<p>Shri Moinul Hassan, MP.</p>	<ol style="list-style-type: none"> 11. New Delhi-Guwahati Rajdhani Express stoppage of 5 minutes at Dalkhola Station of Katihar Division of N.F. Railway. This is the Border and Link Station of three districts of West Bengal <i>i.e.</i> Uttar Dinajpur, Dakshin Dinajpur, Malda and Purnea of Bihar. 12. A Shatabadi train from Sealdah to Katihar or Sealdah to Barsoi with stoppage at Bolpur, Farakka, Malda Kumedpur, Katihar or Barsoi.
<p>Shri Moinul Hassan, MP.</p>	<ol style="list-style-type: none"> 1. Introduce a New Express Train from Sealdah to Lalgola at morning time in Eastern Railway. 2. Start doubling the line from Ranaghat to Lalgola. 3. Expedite the electrification work from Krishnasar Junction to Lalgola. 4. Introduce one A/c 2 tier compartment in III up Lalgola Passenger from Sealdah. 5. Reintroduce the A/c compartment in Bhagrathi Express—Eastern Railway. 6. Provide Computerised Reservation System in Khasraghat Station, Beldangu Station and Gauripur Station.

1	2
Shri Prabhat Samantaray, MP	<p>7. Introduce one new day time train from Sealdah to Azimgarh.</p> <p>8. Link with the Murshidabad from Kolkata by a Express train.</p> <p>Opening of a PRS Centre on priority basis at Kendrapara.</p>
Dr. Nitish Sengupta, MP	<p>Funds allotted for Digha-Tamluk Project during 2002-03 are inadequate. The allocation should be enhanced from Rs. 20 crore to Rs. 30 crore during the current financial year for timely completion of the project.</p>
Shri Naval Kishore Rai, MP	<p>1. Land acquisition process for a Sitamadi-Muzafferpur new railway line be expedited and adequate funds be allocated for the same.</p> <p>2. Lichhvi Express be run on daily basis from Muzafferpur.</p> <p>3. A new train needs to be introduced from Darbhanga to Devghar, Sultanpur.</p>
Shri Ramdas Athawale, MP	<p>1. Pandarpur to Latur broad gauge line may be constructed expeditiously.</p> <p>2. Stoppage of K.K. Express be provided at Karaduwadi.</p>
Shri K.C. Kondaiah, MP	<p>1. I-AC coach be added to train No. 6591/6592 Bangalore-Hubli-Bangalore Express.</p>

1	2
Shri Gopalsinh G. Solanki, M.P.	<p>2. Introduction of Inter City train between Hospet and Bangalore.</p> <p>1. Unloading facility of luggage booked in Rajdhani Express at Vadodara be provided.</p> <p>2. Standard of the service in Bedrolls and dining cars have deteriorated, which needs to be reviewed.</p>
Shri Rajnath Singh 'Surya', MP	<p>1. All trains be given stoppage at Gomti Nagar railway station in Lucknow.</p> <p>2. Vegetarian Restaurant at Faizabad railway station is lying closed. Alternative arrangements be made.</p> <p>3. In Utsarg Express from Lucknow to Chhapra via Azamgarh, AC does not work in AC coaches, attached to the train.</p>

NEW DELHI;
12 April, 2002
22 Chaitra, 1924 (Saka)

K. YERRANNAIDU,
Chairman,
Standing Committee on Railways.

PART II

MINUTES OF THE FIFTH SITTING OF STANDING
COMMITTEE ON RAILWAYS (2002)

The Committee sat on Friday, the 15th March, 2002 from 1500 hours to 1540 hours in Committee Room 'B', Parliament House Annexe, New Delhi.

PRESENT

Shri K. Yerrannaidu—*Chairman*

MEMBERS

Lok Sabha

2. Shri Sohan Potai
3. Shri Rajo Singh
4. Smt. Santosh Chaudhary
5. Shri Haribhau Shankar Mahale
6. Dr. Baliram
7. Shri Ramdas Athawale

Rajya Sabha

8. Shri Bhagatram Manhar
9. Shri Gopalsinh G. Solanki
10. Dr. (Smt.) Chandrakala Pandey
11. Dr. Arun Kumar Sarma
12. Shri Abani Roy

SECRETARIAT

1. Shri R.C. Gupta — *Director*
2. Shri S. N. Dargan — *Under Secretary*
3. Shri O.P. Shokeen — *Assistant Director*

2. At the outset, the Chairman welcomed the Members to the sitting of the Committee. Thereafter, the Committee finalised the List of Points/Questionnaire of the `Demands for Grants (2002-03) of the Ministry of Railways`.

3. *** **

The Committee then adjourned.

1. Mr. Mahesh Prasad Jaiswal
2. Mr. Jagan Mohan Prasad
3. Mr. Jagan Mohan Prasad
4. Mr. Jagan Mohan Prasad
5. Mr. Jagan Mohan Prasad
6. Mr. Jagan Mohan Prasad
7. Mr. Jagan Mohan Prasad
8. Mr. Jagan Mohan Prasad
9. Mr. Jagan Mohan Prasad
10. Mr. Jagan Mohan Prasad
11. Mr. Jagan Mohan Prasad
12. Mr. Jagan Mohan Prasad
13. Mr. Jagan Mohan Prasad
14. Mr. Jagan Mohan Prasad

Mr. Jagan Mohan Prasad

SECRETARIAT

1. Shri John Joseph — *Additional Secretary*
2. Shri S. N. Dargan — *Under Secretary*
3. Shri O.P. Shokeen — *Assistant Director*

Representatives of the Ministry of Railways

1. Shri I.I.M.S. Rana — Chairman, Railway Board & *Ex-Officio* Principal Secretary to the Govt. of India.
2. Shri S. Murali — Financial Commissioner (Railways) & *Ex-Officio* Secy. to the Govt. of India.
3. Shri Arvind Sharma — Member Electrical & *Ex-Officio* Secretary to the Govt. of India.
4. Shri M.C. Srivastava — Member Traffic & *Ex-Officio* Secretary to the Govt. of India.
5. Shri B.S. Sudhir Chandra — Member Staff & *Ex-Officio* Secretary to the Govt. of India.

2. At the outset, the Chairman welcomed the Members and the representatives of the Ministry of Railways to the sitting of the Committee and congratulated Shri I.I.M.S. Rana on his appointment as Chairman, Railway Board. Thereafter, the Committee took evidence of the representatives of the Ministry of Railways in connection with the examination of Demands for Grants (2002-03) of the Ministry of Railways. The evidence remained inconclusive.

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

The Committee then adjourned.

MINUTES OF THE SEVENTH SITTING OF STANDING
COMMITTEE ON RAILWAYS (2002)

The Committee sat on Tuesday, the 2nd April, 2002 from 1100 hours to 1330 hours in Committee Room 'B', Parliament House Annexe, New Delhi.

PRESENT

Shri K. Yerrannaidu — *Chairman*

MEMBERS

Lok Sabha

2. Dr. Madan Prasad Jaiswal
3. Shri Sohan Potai
4. Shri Jagdambi Prasad Yadav
5. Shri Jaibhan Singh Pawaiya
6. Shri Bahadur Singh
7. Shri Brij Bhushan Sharan Singh
8. Shri Rajo Singh
9. Shri Manikrao Hodlya Gavit
10. Shri Priya Ranjan Dasmunsi
11. Shri Moinul Hassan
12. Shri M. Chinnasamy
13. Shri Prabhat Samantaray
14. Dr. Nitish Sengupta
15. Shri Ramdas Athawale

Rajya Sabha

16. Shri Bhagatram Manhar
17. Shri Raju Parmar
18. Shri Rajnath Singh 'Surya'
19. Shri Ram Nath Kovind
20. Dr. (Smt.) Chandrakala Pandey
21. Shri S. Niraikulathan
22. Dr. Arun Kumar Sarma
23. Shri Abani Roy

SECRETARIAT

1. Shri R.C. Gupta — Director
2. Shri S. N. Dargan — Under Secretary
3. Shri O.P. Shokeen — Assistant Director

Representatives of Ministry of Finance

1. Shri C.S. Rao — Secretary (Expenditure)
Ministry of Finance
2. Shri D. Swarup — Additional Secretary (Budget)
Department of Economic
Affairs, Ministry of Finance

Representatives of Planning Commission

1. Shri S.S. Boparai K.C — Secretary
2. Shri B.N. Puri — Adviser (Transport)

**Representative of Department of Development
of North Eastern Region**

- Shri P.D. Shenoy — Secretary

2. At the outset, the Chairman welcomed the Members and the representative(s) of the Ministry of Finance, Planning Commission and the Department of Development of North Eastern Region to the sitting of the Committee. The Committee in the first instance took evidence of the representatives of the (i) Ministry of Finance and Planning Commission from 1100 hrs. to 1230 hrs. and (ii) Department of Development of North Eastern Region from 1230 hrs. to 1330 hrs. in connection with the examination of Demands for Grants (2002-03) of the Ministry of Railways. Shri P.K. Sanghi, Executive Director (Works), Ministry of Railways was also allowed to be present during the evidence tendered by Secretary of Department of Development of North Eastern Region. The evidence concluded.

4. *** *** *** ***

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

The Committee then adjourned.

MINUTES OF THE EIGHTH SITTING OF STANDING
COMMITTEE ON RAILWAYS (2002)

The Committee sat on Wednesday, the 3rd April, 2002 from 1100 hours to 1330 hours in Committee Room No.62, Parliament House, New Delhi.

PRESENT

Shri K. Yerrannaidu — *Chairman*

MEMBERS

Lok Sabha

2. Dr. Madan Prasad Jaiswal
3. Shri Sohan Potai
4. Shri Jaibhan Singh Pawaiya
5. Shri Bahadur Singh
6. Shri Rajo Singh
7. Shri Manikrao Hodlya Gavit
8. Shri Priya Ranjan Dasmunsi
9. Shri M. Chinnasamy
10. Shri Prabhat Samantaray
11. Dr. Nitish Sengupta
12. Shri Naval Kishore Rai
13. Shri Ramdas Athawale

Rajya Sabha

14. Shri Raju Parmar
15. Shri Gopalsinh Solanki
16. Shri Rajnath Singh 'Surya'
17. Dr. (Smt.) Chandrakala Pandey
18. Shri Abani Roy

SECRETARIAT

1. Shri R.C. Gupta — *Director*
2. Shri S.N. Dargan — *Under Secretary*

Representatives of the Ministry of Railways

1. Shri I.I.M.S. Rana — Chairman, Railway Board & Ex-Officio Principal Secretary to the Govt. of India.
2. Shri S. Murali — Financial Commissioner (Railways) & Ex-Officio Secy. to the Govt. of India.
3. Shri Arvind Sharma — Member, Electrical & Ex-Officio Secretary to the Govt. of India.
4. Shri M.C. Srivastava — Member, Traffic & Ex-Officio Secretary to the Govt. of India.
5. Shri S. Dhasarathy — Member, Mechanical & Ex-Officio Secretary to the Govt. of India.
6. Shri B.S. Sudhir Chandra — Member, Staff & Ex-Officio Secretary to the Govt. of India.

2. At the outset, the Chairman welcomed the Members and the representatives of the Ministry of Railways to the sitting of the Committee. Thereafter, the Committee took further evidence of the representatives of the Ministry of Railways in connection with the examination of Demands for Grants (2002-03) of the Ministry of Railways. The evidence concluded.

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

The Committee then adjourned.

MINUTES OF THE NINTH SITTING OF STANDING
COMMITTEE ON RAILWAYS (2002)

The Committee sat on Tuesday, the 9th April, 2002 from 1100 hours to 1150 hours in Committee Room 'B', Parliament House Annexe, New Delhi. In the absence of the Chairman, the Committee chose Dr. Nitish Sengupta, MP to act as Chairman for the sitting of the Committee under Rule 258(3) of the Rules of Procedure and Conduct of Business in Lok Sabha.

PRESENT

Dr. Nitish Sengupta — *In the Chair*

MEMBERS

Lok Sabha

2. Dr. Madan Prasad Jaiswal
3. Shri Sohan Potai
4. Dr. (Smt.) Anita Arya
5. Shri Jagdambi Prasad Yadav
6. Shri Jaibhan Singh Pawaiya
7. Shri Bahadur Singh
8. Shri Brij Bhushan Sharan Singh
9. Smt. Ranee Narah
10. Shri Rajo Singh
11. Smt. Santosh Chaudhary
12. Shri Priya Ranjan Dasmunsi
13. Shri Moinul Hassan
14. Shri Prabhat Samantaray
15. Shri A.K. Moorthy
16. Shri Ramdas Athawale

Rajya Sabha

17. Shri Raju Parmar
18. Shri K.C. Kondaiah
19. Shri Gopalsinh G. Solanki
20. Shri Rajnath Singh 'Surya'
21. Shri Ram Nath Kovind
22. Dr. (Smt.) Chandrakala Pandey
23. Shri Praful Patel
24. Shri Abani Roy

SECRETARIAT

1. Shri R.C. Gupta — *Director*
2. Shri S.N. Dargan — *Under Secretary*
3. Shri O.P. Shokeen — *Assistant Director*

2. At the outset, the Chairman welcomed the Members to the sitting of the Committee. Thereafter, the Committee considered and adopted the Draft Report on 'Demands for Grants' (2002-03) of the Ministry of Railways with additions/modifications as indicated in *Annexure*.

3. ***

4. The Committee also authorised the Chairman to finalise the Report after making consequential changes, if any, arising out of factual verification by the Ministry of Railways or otherwise and to present the Report to both the Houses of Parliament.

The Committee then adjourned.

ANNEXURE

MODIFICATIONS/SUGGESTIONS MADE BY THE STANDING
COMMITTEE ON RAILWAYS ON THE DRAFT REPORT ON
DEMANDS FOR GRANTS (2002-03) OF THE MINISTRY
OF RAILWAYS

Sl. No.	Page No.	Para No.	Line	Additions/Modifications
1	2	3	4	5
1.	114	168	—	<p>Add the following new paragraph after paragraph 167:—</p> <p>“The Committee recommend that a Zonal Committee consisting of all Members of Lok Sabha and Rajya Sabha from that Zone be constituted by each Zonal Railway by the end of current Budget Session and it shall hold at least four meetings in a year during the inter-session period of Parliament”.</p> <p>And the remaining paragraphs to be re-numbered accordingly.</p>
2.	115	168		<p>Add the following suggestions given by the Members in the Annexure attached to paragraph 168 of the Report against their names:—</p> <p>Shri Sohan Potai, MP</p> <ol style="list-style-type: none"> 1. The long awaited demand of Chhattisgarh State for Dallirajhara to Raoghat new railway line be executed expeditiously. 2. Raipur-Dhamtari MG line be converted into BG line and connected to Dhamtari-Gunderdehi line.

1	2	3	4	5
				<p>Shri Jagdambi Prasad Yadav, MP.</p> <ol style="list-style-type: none"> 1. Godda and Lalmatia be connected to Mandarhill-Hasdiya railway line. 2. Jamalpur Workshop, a training institute under Eastern Railway is being neglected. It should be revived and training in all trades be given.
				<p>Shri Bahadur Singh, MP.</p> <ol style="list-style-type: none"> 1. A stoppage of Jan Shatabadi to be introduced this year be permitted at Sawai Madhopur and Bayana. 2. Ticketing facility be made available at Bayana.
				<p>Shri Rajo Singh, MP.</p> <ol style="list-style-type: none"> 1. II-AC Coach be attached to Gaya-Howrah Express running <i>via</i> Kail.
				<p>Shri Priya Ranjan Dasmunsi, MP.</p> <ol style="list-style-type: none"> 1. Katihar-Radhikapur broad gauge conversion within N.F. Railway under Katihar Division shall be conducted in the following three phases: <ol style="list-style-type: none"> A. 2002-03: Barsoi-Raiganj B. 2003-04: Raiganj-Radhikapur C. 2004-05: Katihar-Barsoi 2. In the above three phases required amount should be augmented to begin with is Rs. 25 crores followed by the other amounts in the respective years.

1	2	3	4	5
				<p>3. Dalkhola Road over bridge on N.H. 34/31 within Katihar Division N.F. Railway should immediately be executed and Railway should take initiative to settle the land issue with Chief Secretary, Govt. of West Bengal without further delay.</p>
				<p>4. Two A.C III Coaches should be attached with Gaur Express which runs between Malda and Sealdah everyday to facilitate the passenger since North Bengal is having critical patients who rush to South India and Calcutta in all Mail and Express Trains which are South bound and Calcutta bound originated from Guwahati/Alipurduar/NJP should have 2nd Class and Special Reserve Coach titled as "PATIENTS COACH" to facilitate the patients and attendants to travel with comfort and reservation to such destinations.</p>
				<p>5. Linkage between Nasibpur and Azimganj Railway Station which was in existence during British times. It will facilitate the large number of people. This is the suggestion of Shri Adhir Choudhary, M.P.</p>
				<p>6. In between Samsi and Harish Chandrapur Station of N.F. Railway Katihar Division, the new Sub Divisional Headquarter is</p>

1	2	3	4	5
				Chanchal without a Railway Link. A survey to be conducted this year for proposed railway link at Chanchal, Sub Division. Headquarter of North Malda, West Bengal.
			7.	PRS (Computer Reservation) at Kaliaganj, Harish Chandrapur and Samsi of Katihar Division of N.F. Railway.
			8.	New Delhi-Guwahati Rajdhani Express stoppage of 5 minutes at Dalkhola Station of Katihar Division of N.F. Railway. This is the Border and Link Station of three districts of West Bengal i.e. Uttar Dinajpur, Dakshin Dinajpur, Malda and Purnea of Bihar.
			9.	A Shatabadi train from Sealdah to Katihar or Sealdah to Barsoi with stoppage at Bolpur, Farakka, Malda Kumedpur, Katihar or Barsoi.
				Shri Moinul Hassan, MP.
			1.	Introduce a New Express Train from Sealdah to Lalgola at morning time in Eastern Railway.
			2.	Start doubling the line from Ranaghat to Lalgola.
			3.	Expedite the electrification work from Krishnasar Junction to Lalgola.
			4.	Introduce one A/c 2 tier compartment in III up Lalgola Passenger from Sealdah.

1	2	3	4	5
				5. Reintroduce the A/c compartment in Bhadrathi Express—Eastern Railway.
				6. Provide Computerise Reservation System in Khasrghat Station, Beldanga Station and Gaunipur Station.
				7. Introduce one new day time train from Sealdah to Azamgarh.
				8. Link with the Murshidabad from Kolkata by a Express train.
116	168			Shri K.C. Kondaiah, MP.
				1. I-AC coach be added to train No. 6591/6592 Bangalore-Hubli-Bangalore Express.
				2. Introduction of Inter City train between Hospet and Bangalore.
116	168			Shri Gopalsinh G. Solanki, MP.
				1. Standard of the service in Bedrolls and dinning cars have deteriorated, which needs to be reviewed.
116	168			Shri Rajnath Singh "Surya", MP.
				1. All trains be given stoppage at Gomti Nagar railway station in Lucknow.
				2. Vegetarian Restaurant at Faizabad railway station is lying closed. Alternative arrangements be made.
				3. In Utsang Express from Lucknow to Chhapra via Azamgarh, AC does not work in AC coaches, attached to the train.