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**STANDING COMMITTEE ON  
RAILWAYS  
(1999-2000)**

**THIRTEENTH LOK SABHA**

**MINISTRY OF RAILWAYS  
(RAILWAY BOARD)**

**DEMANDS FOR GRANTS (1998-99)**

*[Action taken by Government on the Recommendations/Observations  
contained in the 1st Report of the Standing Committee on  
Railways (1998-99) on 'Demands for Grants (1998-99)  
of the Ministry of Railways']*

**FOURTH REPORT**



**LOK SABHA SECRETARIAT  
NEW DELHI**

*November, 2000/Kartika, 1922 (Saka)*

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(RAILWAY BOARD)

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MINISTRY OF RAILWAYS

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of the Ministry of Railways']*

Presented to Lok Sabha on.....

Laid in Rajya Sabha on.....



LOK SABHA SECRETARIAT  
NEW DELHI

November, 2000/Kartika, 1922 (Saka)

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COMPOSITION OF THE STANDING COMMITTEE ON RAILWAYS  
(1999-2000)

Shri K. Yerrannaidu — *Chairman*

MEMBERS

*Lok Sabha*

2. Dr. (Smt.) Anita Arya
3. Shri Avtar Singh Bhadana
4. Shri M. Chinnasamy
5. Shrimati Santosh Choudhary
6. Shri Priya Ranjan Dasmunsi
7. Shri P.D. Elangovan
8. Shri Mamikrao Hodlya Gavit
9. Shri Tarun Gogoi
10. Shri Moinul Hassan
11. Dr. Madan Prasad Jaiswal
12. Shrimati Abha Mahato
13. Shri Sadashivrao Mandlik
14. Shri Subodh Mohite
15. Shri Salkhan Murmu
16. Shri Jaibhan Singh Pawaiya
17. Shri Sohan Potai
18. Shri Naval Kishore Rai
19. Shri Gunipati Ramaiah
20. Shri Prabhat Kumar Samantaray
21. Shrimati Sushila Saroj
22. Dr. Nitish Sengupta
23. Shri Bahadur Singh
24. Shri Brij Bhushan Sharan Singh
25. Capt. (Retd.) Inder Singh



(iv)

26. Shri Jai Bhadra Singh
27. Shri Rajo Singh
28. Shri Bhupendra Singh Solanki
29. Shri A.K.S. Vijayan
30. Shri Jagdambi Prasad Yadav

*Rajya Sabha*

- \*\*\*31. Shri Bhagatram Manhar
32. Shri Jhumuk Lal Bhendia
33. Shri Banarsi Das Gupta
- \*\*\*\*34. Shri Raju Parmar
35. Shri Gopalsinh G. Solanki
36. Chaudhary Chunni Lal
37. Dr. (Smt.) Chandra Kala Pandey
38. Shri Maulana Obaidullah Khan Azmi
39. Shri S. Niraikulathan
40. Shri G.K. Moopnar
41. Shri Anil Sharma
42. Shri Barjinder Singh Hamdard
43. Shri Abani Roy
- \*44. Dr. D. Venkateshwar Rao
- \*\*45. Shri Ramachandraiah Rumandla

SECRETARIAT

1. Dr. A. K. Pandey — *Additional Secretary*
2. Shri M. Rajagopalan Nair — *Joint Secretary*
3. Shri R.C. Gupta — *Deputy Secretary*
4. Shri S.N. Dargan — *Under Secretary*
5. Shri U.C. Bharadwaj — *Reporting Officer*

\* Nominated vide RSS Bulletin Part-II dated 18.01.2000

\*\* Nominated vide RSS Bulletin Part-II dated 29.02.2000

\*\*\* Nominated vide Shri Radhakishan Malaviya vide RSS Bulletin Part-II dated 05.05.2000

\*\*\*\* Renominated vide RSS Bulletin Part-II dated 05.05.2000

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## INTRODUCTION

1. the Chairman of Standing Committee on Railways (1999-2000) having been authorised by the Committee to present the Report on their behalf, present this Fourth Report on Action taken by the Government on the recommendations/ observations contained in their First Report (1998-99) of the Standing Committee on Railways (1998-99) on 'Demands for Grants (1998-99) of the Ministry of Railways'.

2. This First Report was presented to Lok Sabha on 6th July, 2000 and contained 39 recommendations/observations. The Action taken replies of the Government in respect of all the 39 recommendations/observations contained in the original Report were received in three instalments on 22nd December, 1998, 22nd January, 1999 and on 12th February, 2000.

3. The action taken replies alongwith draft Action Taken Report were considered by the Committee on 7th July, 2000. However, the Committee decided to take oral evidence of the Ministry of Railways, Finance and the Planning Commission in respect of Para Nos. 199, 200, 203 and 204 on 11th and 12th September, 2000. In the meantime, the Ministry of Railways furnished their final/ revised/updated action taken replies to the para nos. 198, 199, 200, 203, 204, 205, 206, 210, 214, 218, 223, 225 and 230. The Committee took oral evidence of the representatives of the Ministries of Finance, Railways and the Planning Commission on the 11th and 12th September, 2000.

4. The Report was revised in view of final/updated replies of the Ministry of Railways, Finance and the Planning Commission and the same was considered and adopted by the Committee at their sitting held on 24th October, 2000.

5. The Committee wish to express their thanks to the representatives of the Ministries of Railways, Finance and the Planning Commission for appearing before the Committee and placing the facts before them.

6. An analysis of the action taken by the Government on the recommendations/ observations contained in the First Report of the Committee is given in Appendix II.

NEW DELHI;  
4 November, 2000  
13 Kartika, 1922 (Saka)

K. YERRANNAIDU,  
Chairman,  
Standing Committee on Railways.

## CHAPTER I

### REPORT

This Report of the Committee deals with the action taken by the Government on the recommendations and observations contained in the First Report of the Standing Committee on Railways (1998-99) on "Demands for Grants (1998-99) of the Ministry of Railways" which was presented to Lok Sabha on 6th July, 1998.

2. Action Taken Notes in respect of all the 39 recommendations and observations (Para Nos. 197-235) contained in the aforesaid Report have been received from the Government. These have been broadly categorized as under :

1. Recommendations/Observations which have been accepted by the Government – Para Nos. 211, 215, 216, 217, 222, 224, 228, 229, 230 and 232.
2. Recommendations/Observations which the Committee do not desire to pursue in view of Government's replies – Para Nos. 197, 198, 199, 200, 201, 202, 203, 204, 207, 208, 209, 210, 212, 213, 219, 220, 221, 223, 226, 227, 231, 233, 234 and 235.
3. Recommendations/Observations in respect of which replies of the Government have not been accepted by the Committee and which require reiteration – Para Nos. 214, 218 and 225.
4. Recommendations/Observations in respect of which replies of the Government are still awaited – Para Nos. 205 and 206.

**3. The Committee desire that final replies in respect of the recommendations for which only interim replies have been given by the Government should be furnished to them expeditiously.**

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

## Track Renewals

### Recommendation (Para No. 214)

5. The Committee in their original Report had expressed their concern over the fact that the total track due for renewal was 10957 kms. on BG and 1014 kms. on MG as on 1.4.1997 and with the present rate of allocation of funds for track renewal it would not be possible for the Railways to wipe out the arrears of track renewal before the X Plan. They desired that more funds should be made available for track renewals so that all the arrears of track renewals could be wiped out within the IX Plan itself.

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

"The Committee has noted that during the year 3485 kms. of BG and 88.4 kms. of MG track shall be renewed.

This is not correct as for the year 1998-99, 3485 kms. of BG and 88.4 kms. of MG track renewals has been sanctioned, but all this may not be got done. Within the funds provided for track renewal during 1998-99, it is targeted to achieve 2710 kms. of track renewals only. Accordingly the carry forward of the overdue renewals will be larger. It will be necessary that more funds should be made available for track renewals in coming years so that arrears of track renewals could be wiped out earlier".

### Revised/updated Reply of the Government

"Track forms the backdrop of railway transportation system and needs to be maintained in safe and fit condition. Track is renewed as and when it becomes due for renewal on various criteria including the availability of funds.

The track renewal arrears which were of the order of 10957 km. on Broad Gauge at the beginning of Ninth Plan (as on 1.4.97), are 11928 km. on Broad Gauge and 4700 km. Meter Gauge and Narrow Gauge as on 1.4.2000.

The year-wise expenditure/allocation and track renewals done during the first three years of IXth plan are as under :—

Year	Total Expenditure (Gross-All Gauges) Rs. in crore.	Broad Gauge and Meter Gauge renewals done in km.	Arrears of Track Renewal at the end of the year (Broad Gauge+MG/NG) in kms.
1997-98	1805.00	2950	11211+2903
1998-99	1802.00	2967	11260+4995
1999-2000	2042.16	3006	11928+4700
2000-2001	2600.00 (Budgeted)	3250 (Targeted)	—

It is evident from the above that the carry forward of overdue renewals of track is becoming larger. In order to liquidate the arrears of renewals and to cater for current arising, the allocation would need to be increased substantially otherwise the arrears will continue to remain due to inadequate availability of funds becoming available within Railway Budget."

**7. The Committee note that the aforesaid action taken reply of the Ministry not only justify their concern expressed in the Report but goes a step further to highlight the grim situation of track renewals pending long overdue. They agree with the views expressed by the Ministry of Railways that more funds be made available for wiping out the entire overdue track renewals as early as possible. The Committee are of the firm view that track renewal is a sacrosanct area from safety point of view and as such cannot be compromised at any cost. Therefore, they reiterate their earlier recommendation to provide more funds for track renewals so that the entire backlog of overdue track renewal can be wiped out within IXth Plan itself.**

**Augmentation of rolling stock for suburban traffic and provision of one toilet in each coach**

#### **Recommendation (Para Nos. 218 and 225)**

8. In view of substantial increase in suburban daily passengers traffic from far off distances (upto 150 kms) to metropolitan cities, the Committee had recommended that DMUs/MEMUs and pull-push services needed to be increased. They also desired that at least one toilet with attendant and drinking water facility be provided in each coach of these service trains.



9. The Ministry of Railways in their reply have stated as under :

"In the areas having suburban type of traffic, Railways as a matter of policy have decided to replace that conventional Passenger trains by EMU/MEMU/DMU to the extent feasible and justified. However, due to limitations of availability of such stock this is being done in a phased manner on the basis of availability of the requisite stock. During 1998-99, it is proposed to provide MEMU services on the following sections :—

1. Kanpur-Shikohabad
2. Durg-Bilaspur
3. Asansol-Jhajha
4. Purulia-Bardhaman

And DMU services on the following sections :—

1. Daund-Pune
2. Tiruchirapalli-Karur
3. Buxar-Danapur-Patna
4. Patna-Rajgir
5. Mhow-Indore (MG)

These services are provided on sections having high density of short distance traffic (up to 150 kms.). Provision of toilets with attendant and drinking water is not desirable as it will eat into the carrying capacity of the trains. Besides, there will be problem of cleanliness and watering of toilets as these services run intensively without adequate duration of stoppages enroute or at terminals. The concept of EMU/DMU/MEMU is that such rakes will not touch washing lines on daily basis for optimum utilization of the resources. Dilution of this concept is not justified. However, where passenger requirement for toilets is imperative, running of conventional trains will be considered.

The annual production plan of these coaches for the next five years, including the current year is as follows :—

EMU	-	1750
MEMU	-	500
DMU	-	300

The demands for MEMU/DMU introduction are acceded to depending upon the traffic justification as well as availability of the stock".

[No. 98/Chag-II/I/Stg. Com]

### Revised/updated Reply of the Government

"In the areas having suburban type of traffic, Railways as a matter of policy have decided to replace the conventional passenger trains by MEMU/DMU/EMU to the extent feasible and justified. However, due to limitations of availability of such stock this is being done in a phased manner on the basis of availability of the requisite stock. MEMU services have been provided on the following sections :—

1. Kanpur-Shikohabad with effect from 5.2.1999.
2. Durg-Bilaspur with effect from 24.8.1998.
3. Asansol-Jhajha with effect from 15.6.1998.
4. Purulia-Bardhaman with effect from 15.8.1998.

And DMU services on the following sections :—

1. Tiruchirappalli-Karur with effect from 14.7.1999.
2. Buxar-Danapur-Patna with effect from 16.10.1998.
3. Patna-Rajgir with effect from 16.10.1998.

These services are provided on sections having high density of short distance traffic (up to 150 kms.). Provision of toilets with attendant and drinking water is not desirable as it will eat into the carrying capacity of the trains. Besides, there will be problem of cleanliness and watering of toilets as these services run intensively without adequate duration of stoppages enroute or at terminals. The concept of EMU/DMU/MEMU is that such rakes will not touch washing lines on daily basis for optimum utilization of the resources. Dilution of this concept is not justified. However, where passenger requirement for toilets is imperative, running of conventional trains will be considered.

The annual production plan of these coaches for the next five years, including the current year is as follows :—

EMU	-	1750
MEMU	-	500
DMU	-	300

The demands for MEMU/DMU introduction are acceded to depending upon the traffic justification as well as availability of the stock."

10. From the aforesaid reply of the Government, it seems that the non-availability of adequate rolling stock with the Railways is the main reason for not increasing/introducing new DMUs/MEMUs and pull-push services in the suburban areas where a number of demands for these services are still pending. The Committee do not accept the views expressed by the Railways that provision of toilets and drinking water would eat into the desired passenger carrying capacity of the trains and will create cleanliness problem which in turn will result in low utilization of the resources.

11. The Committee fail to understand as to why the above genuine demands of the public and public representatives are not being accepted by the Railways. They are of the firm view that in the years to come, the suburban traffic will increase manifold and the Railways will have to cope up with it solely. Hence it is imperative for the Railways to invest as much as possible in the rolling stock for suburban train services and for that purpose a holistic strategy will have to be chalked out to meet the future suburban traffic needs. The Committee again reiterate that toilet and drinking water facility be provided in at least all those suburban trains which run 150 kms. of distance or more.



## CHAPTER II

### RECOMMENDATIONS/OBSERVATIONS WHICH HAVE BEEN ACCEPTED BY THE GOVERNMENT

#### Catering Services

##### Recommendation (Para No. 211)

The Committee are concerned to note that out of about three thousand stations and 160 trains, catering services at 2932 stations and on 112 pairs of trains are being managed by private parties and the Departmental catering units operate only at about 68 stations and on 48 pairs of trains. At about 34 railway stations catering services are being managed by both the department and private parties side by side. As it has been the general experience that quality and quantity of food supplied at various stations and in the trains is very poor and unhygienic, the Committee desire that special surprise checks should be conducted by the Railway officials at all the stations and the trains. The Committee desire that a monitoring Committee should be formed with special powers to check the rates, quality, quantity of eatables and other materials sold at the platforms and in the trains. Needless to mention that after the formation of 'Indian Railway Catering and Tourism Corporation', the Committee hope that all the Catering services would be brought under it.

##### Reply of the Government

A great deal of emphasis is being laid by the Ministry of Railways on the need for providing good quality catering service to the travelling public. Instructions have again been reiterated to the Zonal Railways that the catering services should be closely monitored and surprise checks should be intensified to achieve the desired results. As recommended by the Committee, instructions have also been issued to the Railways to set up monitoring committees comprising JA Grade officers to check the rates, quality and quantity of eatables.

[Ministry of Railways OM No. 98/BC-II/SCR/XII/6, dated 21.12.98]

### Recommendation (Para No. 215)

The Committee note that on the recommendation of the Railway Convention Committee in 1949, a provision of Rs. 3 crore per annum was earmarked for passenger amenities. A list of minimum amenities known as basic passenger amenities to be provided at all the stations irrespective of their status was drawn in 1952. The Committee are concerned to note that against the allocation of 120 crore for passenger amenities in 1996-97, the Railways were able to spend only Rs. 87.86 crore. During the year 1997-98 Government could spend Rs. 80.47 crore for passenger amenities. An allocation of Rs. 100 crore has been made under this Head for the year 1998-99. The Committee deprecate the tendency of the Railways not to spend the money allocated for passenger amenities while facilities already provided continue to deteriorate due to underutilisation of funds during 1996-97 resulted in lower allocation of funds in the subsequent years. It has been the general experience that the passenger amenities are lacking badly in every respect. The Committee desire the Ministry of Railways to ensure that the allocation made for the year 1998-99 should be spent particularly in improving the passenger information system including enquiry offices, providing drinking water and lavatory facilities specially for ladies both at stations and in the trains in every coach in a professionalised way on the pattern of 'Sulabh Shauchalaya' better cleanliness and maintenance of dining cars, providing an attendant for cleaning the lavatories in each train, etc. The Committee further recommend that ladies toilets at every station and each coach of the train should compulsorily be provided. The Committee also recommend that the present allocation of funds for passenger amenities should be sufficiently increased keeping in view the increase in passenger fares.

### Reply of the Government

Budget allocation/revised estimates/actual expenditure for the years 1996-97 and 1997-98 are as under :

(Figures in crore Rs.)

Year	Budget Allotment	Revised Estimates	Actual Expenditure
1996-97	120.00	103.59	97.86
1997-98	80.26	80.47	89.33

Though an allocation of Rs. 120 crore was made during 1996-97, Railways could spend only Rs. 87.86 crore. The lower expenditure during 1996-97 was partially due to the late passing of the Railway Budget for the year. The Railway Budget was assented to by the President on 31.7.96. However, the position

improved during 1997-98 when the expenditure incurred was more than the Budget allocation for Passenger Amenities. Railways have already been instructed to ensure that no funds provided for passenger amenities during 1998-99 are allowed to lapse.

Railways are making every efforts to ensure that no station lacks in the required facilities. Works in this regard are included in the annual works programmes according to requirements of various stations. One third of the number of latrines provided at each station are also kept reserved for ladies. Provision of various amenities at a station is as per norms fixed which are based on the volume of passenger traffic at the station. The amount allocated to Passenger Amenities during 1998-99 is 100 crore which is a 25% increase over the allocation made in 1997-98.

Toilets provided in the trains are designed in such a manner that the same can be used by gents as well as the ladies. As such, there appears to be no need for earmarking the toilets separately for them. For maintenance of cleanliness of the toilets on the trains provision of travelling safaiwalas on each and every train does not seem to be feasible for want of manpower and financial constraints.

Railways have noted the point made by Standing Committee that Passenger Information and Enquiries be given a priority at the station and accordingly a proposal is under consideration of Board. In addition, provision of drinking water will be given a priority.

Catering is one of the very important passenger amenity. Railways have been giving tremendous emphasis for improvement in catering services. Of late, to extent Rajdhani type of services, 18 pairs of trains have been identified, 2 each on all Zonal Railways with a view to upgrade the catering services. Provision of hightech gadgets in base kitchens and pantry cars are also being ensured from funds under Passenger Amenities Plan Head.

[Ministry of Railways OM No. 98/BC-II/SCR/XII/6, dated 22.1.99]

#### **Creation of New Zones**

#### **Recommendation (Para No. 216)**

The Committee note that the total estimated cost of the six newly created Zones is Rs. 671.9 crore. The Ministry of Railways have spent Rs. 26.12 crore during 1997-98 and an allocation of Rs. 25.99 crore has been made for 1998-99. It is strange to note the reply of Government that 'it is not possible to give a time frame for making these zones fully operational'. The Committee have been informed that there have been additional demands for setting up of new Zones at Hubli, Bilaspur and Ajmer. Keeping in view the financial constraints, the

Committee recommended that before setting up more Zones, the matter should be thoroughly examined. They also recommend that concerted efforts should be made to make all the six newly created Zones fully operative as early as possible. The Committee further recommend that the Headquarters of any existing Zones/ Divisions should not be shifted otherwise a serious resentment will disturb the regional balances.

#### **Reply of the Government**

The new Zones have been planned to be set up in a phased manner over a period of 60 months. It is not proposed to set up more zones. The recommendation that concerted efforts should be made to make all the six newly created Zones fully operative as early as possible has been noted. However, some specific part – activities of one/two Divisions have been taken over by the new Zones. It is not proposed to shift the headquarters of any existing Zones/Divisions.

[Ministry of Railways OM No. 98/BC-II/SCR/XII/6, dated 21.12.98]

#### **Recommendation (Para No. 217)**

The Committee note that the gauge conversion projects are partly funded out of budgetary support, and partly out of internal resources. During the 8th Plan an outlay of about Rs. 1000 crore and above per year was provided for gauge conversion projects. Rs. 1364 crore and Rs. 900 crore were allocated for gauge conversion during the years 1996-97 and 1997-98 respectively. The Committee are concerned to note that the allocation of funds under this head has been reduced to Rs. 810 crore for the year 1998-99. The Committee are not satisfied with the reply of the Government that most of the through routes taken up for gauge conversion have since been completed and that the time has come to consolidate the new routes developed and integrate them fully into the system. As construction and operation works are being dealt separately, they are of the opinion that both the works of gauge conversion and integrating the routes converted earlier into the system could have been taken up by the Ministry of Railways simultaneously. With the present rate of allocation of funds for gauge conversion, it would take 10-11 years in converting the remaining MG lines into BG lines. The Committee are of the considered view that the allocation of funds for the on-going gauge conversion projects should be increased sufficiently so that the unigauge system could be made operative within IX Plan itself.

#### **Reply of the Government**

The recommendations of the Committee have been noted and would be kept in view while allocating funds for the ongoing gauge conversion projects in the coming years subject to availability of resources.

[Ministry of Railways OM No. 98/BC-II/SCR/XII/6, dated 22.1.99]



### Recommendation (Para No. 222)

The Committee find that operating ratio of the Railways is likely to increase from 86.2% in 1996-97 to 91.2% in 1998-99 in spite of the fact that the Railways have been claiming that they are streamlining the Railway operations to minimize operational expenses. The Committee observe that the Railways must be aware of their responsibilities to exercise utmost control on the costs of their operations. In this connection the Committee feel that the out-go on account of hike in salary bills and pension payments can be contained by incremental revenue from the projected increase in passenger kms. and freight btkms. provided, the Railways are able to strictly observe the discipline of controlling the size of their work force.

### Reply of the Government

Consequent upon the sustained efforts made by the Railways to streamline railways operations, the operating ratio did improve considerably, from 92% in 1990-91 to 82.5% in 1995-96. The deterioration has, however, really set in from 1997-98 due to a quantum jump in staff costs on account of implementation of Fifth Pay Commission's recommendations. Thus, as against an expenditure of Rs. 10145 crore on staff cost, including pension, in 1996-97, a provision of Rs. 14081 crore was made in 1997-98 (RE) and Rs. 14215 crore in 1998-99 (BE) which led to the increase in the operating ratio for the year 1998-99.

2. The Committee's observation on railways, responsibility of observing discipline of controlling their work force has also been noted. Efforts will continue to be made to control the size of Indian Railways work force, through steps aimed at productivity improvement and to improve traffic through-put.

3. A note on efforts being made by the Railways in improving traffic through-put in enclosed.

## EFFORTS OF RAILWAYS IN IMPROVING TRAFFIC THROUGHPUT

The traffic carried by IR falls in two categories; longhaul bulk traffic in train loads and piecemeal traffic in wagon loads. The bulk traffic constitutes about 95% of the traffic of IR. In order to sustain and nurture this traffic, a close interaction is maintained, with the bulk users concerned and the entire planning process for catering to the transport requirement of this segment of traffic is undertaken in consultation with them.

A number of budgetary and non-budgetary measures have been taken to sustain this segment of traffic. The budgetary measures include a reduction in cross subsidisation of passenger services by freight traffic, lowering of classification of some commodities, etc. Non budgetary measures include quotation of station to station rates for specific commodities on specified streams, running of schedule container trains between specific pairs of points by Container Corporation of India (CONCOR) a PSU set up by the Ministry of Railways, etc.

The growth of railway's revenue earning freight loading since 1992-93 (beginning of 8th Plan Period) is given below :—

Year	Loading in Million	Variation over previous Years in Million Tonnes
1992-93	350.00	-
1993-94	358.72	+ 8.72
1994-95	364.96	+ 6.24
1995-96	390.69	+ 25.73
1996-97	409.02	+ 18.33
1997-98	429.37	+ 20.35

It may be seen from the above that during the last three years IR added about 65 Million Tonnes of incremental freight loading.

As regards piecemeal traffic, since railways have changed their operational strategy to become bulk carriers of point to point rake loads, the task of aggregating and containerising the non bulk general goods traffic has been assigned to Container Corporation of India (CONCOR). Recently, a full fledged domestic division has been created in CONCOR to pay focussed attention to services of domestic sector.

A number of steps have also been taken to streamline the parcel services to achieve higher efficiency in operations; maximisation on utilisation of capacity and increase in revenue and tonnage.

[Ministry of Railways, OM No. 98/BC-II/SCR/XII/6, dated 21.12.98]

**Recommendation (Para No. 224)**

The Committee have come to the conclusion that the Railways will have to streamline their growth strategy in accordance with requirements of the national economy. The Committee strongly recommend that the Railways should take steps to (a) sharpen the marketing capability to attract the freight and passenger business to the rail network through constructive pricing mechanism and tariff rationalisation, (b) strengthen the high-density network to make the system capable of meeting the demands of the freight and passenger business. (c) practise austerity, especially in the areas of energy consumption, materials management, overtime, travelling allowance, advertisements, etc. and in all other areas in general to the maximum extent possible, (d) Cut operating costs by at least 10% in the next 5 years, (e) withdraw from ancillary activities to enable the management to concentrate on the primary business of running freight and passenger services, (f) evolve a financing strategy for optimal allocation of scarce resources to achieve the objective of a higher growth rate in tune with, and perhaps ahead of, the GDP growth rate and this be the harbinger of a railway renaissance, and (g) bring about a cultural change in the organisational philosophy from being a production oriented one to a customer orientated one.

**Reply of the Government**

(a) An attempt has already been made in this year's budget to rationalise the tariff structure and reduce the extent of cross subsidy between passenger and freight traffic so that Railways remain competitive in the freight sector. Efforts are on to win back the non bulk and less than train load traffic to rail through multi-modal route. CONCOR is playing an important role in this regard. A domestic division has also been set up in CONCOR, MoU's have been signed to introduce innovative transportation packages in collaboration with private sector in the form of "Road Rainers" and Roll-on-Roll-off services.

As regards the passenger services, new trains and increased frequency, extension of run, Rail-Bus Services, 24 and 26 coach trains, revival of first class accommodation, Tatkal scheme, Two tourists trains in collaboration with the private sector, pantry car services on trains, extension of computerised reservation are some of the efforts being made to make the journey by Railways more attractive.

(b) Augmentation of the line capacity by laying additional lines where routes are saturated, other traffic facility works, up gradation of signalling, strengthening the track structure to take higher axle loads and induction of the state-of-the-art rolling stock are some of the efforts being made in the direction of strengthening and increasing the throughput on the high density network.

(c) Fuel efficient and at the same time more powerful locos are being introduced. Steps have been taken to introduce austerity in spheres of hospitality, publicity, advertisement, inauguration, ceremonies etc. There is a continued emphasis in prevention of wastages and leakage of resources. Monitoring systems and procedures are being put to fullest use and improved, where ever required.

(d) Cost cutting efforts are on in all major areas of Railway activity. However, staff costs do continue to form a major portion of resources.

(e) A strategy for shedding off non-core and ancillary activities *via* the corporatisation route has been adopted. This is to secure professionalisation in that area as also tap private capital through joint ventures. CONCOR and the proposed Catering and Tourism Corporation are prime examples of this effort.

(f) Process of reprioritisation of works is already on. The resources are allocated as per priority so that these are not spread thinly.

(g) Sincere efforts are on for a more customer friendly approach of the Indian Railways at various levels through training, motivation and taking punitive measures against erring staff, where considered necessary.

[Ministry of Railways, OM No. 98/BC-II/SCR/XII/6, dated 21.12.98]

#### **Recommendation (Para No. 228)**

The Committee are not satisfied at all with the claim of the Ministry of Railways that there has been improvement in punctuality of the trains. The Committee desire that the Ministry of Railways should make concerted efforts to ensure their punctuality performance at least upto 95% in the current year.

#### **Reply of the Government**

The punctual running of trains is one of the greatest concern of the Ministry of Railways as it affects the image of the railways in the eyes of the travelling public.

The railways, therefore, put in great efforts to maintain the punctuality of trains. Punctuality meetings are held at Divisional Head Quarter and Zonal Railways' level on a daily basis and a detailed causewise analysis is conducted of those trains which have not been able to maintain their timings. Remedial action is taken immediately. Disciplinary action is taken against the staff responsible for loss of punctuality. A Punctuality Cell has also been set up in the Railway Board to keep a close watch on running of certain nominated trains on the Zonal Railways. Inspectors and Officers regularly travel on the locomotives of trains which have shown a poor performance. The staff involved in train operations is also counselled during these drives.



As a result of these efforts, the punctuality performance of Indian Railways have improved from 91.9% (BG & MG) in 1996-97 to 92.2% (BG & MG) in 1997-98.

Every year during the All Indian Railways' Time Table Meetings, an analysis is made of those trains which are not able to maintain their punctuality due to problems is scheduling. Attempts are made to reschedule these trains to the extant possible.

While it is the endeavour of the railways to run trains strictly according to their schedules, the punctuality of trains is affected by such factors as agitations, law and order situation and other miscreant activities, alarm chain pulling and natural calamities like floods and fog etc. These factors are beyond of the control of the railways. However, constant coordination is maintained with the State Governments to minimise the impact of law and order factors and miscreant activities that adversely affect the punctual running of trains.

[Ministry of Railways, OM No. 98/BC-II/SCR/XII/6, dated 21.12.98]

#### **Recommendation (Para No. 229)**

The Committee express their serious concern over the failure of the Ministry of Railways to deal with the tout problem prevailing in the railway reservation system, inspite of the repeated recommendations by various Committees including previous Parliamentary Standing Committees on Railways. The Committee find that during 1997-98 the total number of touts apprehended was 4808. However, when the Committee wanted to know the number of touts who have been apprehended for the second or third time, the ministry could not furnish the required information. An impression is gathered that malpractices prevalent in the Railways are happening within the knowledge of and in connivance with Railway officials. The Committee take a strong note of the failure of the Ministry of Railways in furnishing that the required information and recommend that strict action should be taken against these touts and officials found involved.

#### **Reply of the Government**

As a result of frequent checks conducted to combat malpractices and blackmarketing of tickets at important railway stations and Reservation Offices, 4808 touts were apprehended during the year 1997-98 and handed over to the Police for prosecution under Section 143 of Railways Act, 1989. Regarding the number of touts apprehended for the second or third time, such figures are not maintained by the Railways at present. However, it has to be appreciated that the persons detected while purchasing tickets at railway counters are really "casual"

workers of the unscrupulous agents and they get changed whenever the checks are made and a new set of persons carry on the operations. The only way to really make a dent on such malpractices is to increase the overall availability of berths through augmentation of popular trains as well as running convenient special trains to cater to the peak rush. This was done during the current year when a record 1931 special trains were run out and on 75 pairs of trains additional coaches were provided against 1319 special trains and on 75 pairs of trains additional coaches during the last year. Nonetheless, instructions have been issued to the Zonal Railways for maintaining such figures in future.

[Ministry of Railways, OM No. 98/BC-II/SCR/XII/6, dated 21.12.98]

#### **Recommendation (Para No. 230)**

The Committee find that number of surveys in regard to New Lines, Gauge Conversion, Doubling etc. have been proposed to be taken up during the current year. When the Committee wanted to know whether these surveys are need-based or demand based and the number of surveys, demands for which could not be met, they were informed that no such records are maintained. The Committee express their strong anguish over the fact that such important records are not maintained in the Railways and desire that necessary records should be maintained henceforth.

#### **Reply of the Government**

As desired by the Committee, the necessary records in this connection would be maintained in future.

[Ministry of Railways, OM No. 98/BC-II/SCR/XII/6, dated 22.1.99]

#### **Revised/Updated Reply of the Government**

The records are now being maintained with effect from 1.4.1999 as desired by the Committee.

[Ministry of Railways, OM No. 2000/BC-II/XIII/200/7, dated 26.9.2000]

#### **Recommendation (Para No. 232)**

The Committee also find that there has been a large number of wooden sleepers lying unattended near the railway tracks where gauge conversion works/ replacement of wooden sleeper by concrete sleeper were undertaken. In the circumstances the Committee would like to know the exact amount realised on account of old wooden sleepers.

**Reply of the Government**

The wooden sleepers normally seen near the Railway tracks after replacement by Concrete Sleepers are removed in a time bound period to nearest depot. The released wooden sleepers are not kept unattended.

The total amount realised by disposal of old wooden sleepers during the year 1997-98 over Indian Railways is Rs. 1,22,35,347.30.

(No. 98/TK-II/MSW/17)

[Ministry of Railways, OM No. 98/BC-II/XII/6, dated 22.1.99]

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### CHAPTER III

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

##### **Recommendation (Para No. 197)**

Over the years the market share of Railways in terms of freight as-well-as passenger traffic has continued to decline. The freight traffic has come down from 89% of the total freight traffic in 1950-51 to 40% in 1996-97 and passenger traffic from 60% in 1950-51 to 20% in 1996-97. This was caused due to inadequate and unscientific investment in infrastructure by the Railways. The major impact of this improper investment was that the Railways could not achieve a growth rate commensurate to the National growth rate. While the National economy is growing at about 6-7% per annum, the Railways have a growth rate of 3.5% only. Railways have the responsibility to ensure that GDP growth of the country is not to be curtailed or reduced on account of their failure. To meet this challenge and to increase the Railways share in the overall transport system by 5%, the working Group of the Railways for the 9th Plan had recommended the requirements of fund to the tune of Rs. 93000 crore. However, it has been stated by the Railways during evidence that they had proposed an outlay of Rs. 65,000 crore only to the Planning Commission for the Ninth Plan. This too has been reduced to Rs. 47,484 crore by the Planning Commission. If the Railways are not provided Rs. 65,000 crores, their share in goods traffic cannot possibly increase.

##### **Reply of the Government**

Ministry of Railways agree with the recommendations for increased plan size for Railways. This is being taken up with the Planning Commission.

[Ministry of Railways, OM No. 98/BC-II/SCR/XII/6, dated 21.12.98]

##### **Recommendation (Para No. 198)**

The Committee are perturbed over the static growth rate of Railways and also over the way the Planning Commission had reduced the proposed 9th Plan outlays from Rs. 65,000 crores to Rs. 47,484 crore. The committee are of the firm opinion that Indian Railway's share in goods traffic needs to be increased keeping in view the fact that Railways are the cheapest mode of transport apart from the fact



that they are eco-friendly. In the opinion of the Committee, it is imperative for the Railways to achieve a growth rate commensurate with the growth rate of National GDP. Realising the limitation of generating sufficient surplus/excess resources by the Railways, the Committee strongly recommend to the Planning Commission to accord top most priority to enhance the Plan outlays for the remaining three years of the 9th Plan up to the level as proposed by the Ministry of Railways for achieving at least 5% growth rate.

### **Reply to the Government**

Noted. The issue is being taken up with the Planning Commission.

[Ministry of Railways, OM No. 98/BC-II/SCR/XII/6, dated 21.12.98]

### **Revised/Updated Reply of the Government**

Ministry of Railways agree with the recommendation of the Committee. The Budgetary Support for Railways which was about 75% of the actual total plan expenditure for Railways in the Fifth Five Year Plan had come down to about 23% of the actual total plan expenditure in the Eighth Five Year Plan. For the Ninth Five Year Plan, the Budgetary Support approved by the Central Government is an average of about 27% of the total plan outlay for Railways.

Planning Commission, while recognizing the important role of Railways in the development of economy and socio-economic life of the country, have expressed certain constraints in allocation of a higher Budgetary Support to Railways due to competing demands, especially from the social sectors, on the limited budgetary support available.

Railways have been able to obtain an increased Budgetary Support of Rs. 1,992 Crores in 1997-98 against Rs. 3,540 Crores in 2000-2001. However, the priority accorded to the Railway sector by the Planning Commission while allocating Budgetary Support in the 4th & Vth Five Year Plans needs to be restored.

[Ministry of Railways, OM No. 2000/BC-II/XIII/200/7, dated 26.9.2000]

### **Recommendation (Para No. 199)**

The unabated increase in the number of new projects taken up every year without sufficient funds have led to huge cost and time over-runs. Every year new projects are taken up at the cost of projects which were either priority projects or were nearing the completion stage. The priority criteria for funding the on-going projects have not been adhered to. The overall impact of this, is long gestation period having substantial cost over-run. The Committee have been informed that the cost of completing all the pending projects is about Rs. 35,000 crores and at

the present rate of allocation per year it will take 40 years for completion of all the pending on-going new line projects. 10 to 11 years for gauge conversion and 5-6 years for doubling of lines. In this regard, the Committee are of the firm conclusion that limited resources spread thinly over a large number of projects, lead to astronomical time and cost over runs, affecting adversely the financial viability of the Indian Railways. They are not convinced by the present system of fixing the time span for completion of various projects by the Railways.

### Reply of the Government

The Committee has correctly appreciated the problem being faced by the Railways. In the meantime, as per the directions of the CCEA all the railway projects in the plan heads new lines and gauge conversions have been prioritised so that we are able to allocate resources on a rational basis with a view to progressively completing these projects over the coming years.

The new line projects have now been categorised in the following categories:

- A-1—Completed projects, residual works in progress.
- A-2—Viable projects/those required on operational considerations.
- A-3—Projects nearing completion and those which will get completed in 9th plan.
- B-1—Projects in Jammu & Kashmir.
- B-2—Projects in North East Region.
- B-3—Projects involving major bridges costing over 100 crs.
- C— Socially desirable projects.
  - C-1—Projects Already cleared.
    - C-1A—Projects having higher priority amongst C1 category projects.
    - C-1B—Other Projects not covered in C1A.
  - C-2—Projects yet to be cleared.
    - C-2A—Projects having operational priority which will go to category C1A after clearances.
    - C-2B—Other socially desirable projects which will go to C1B after clearances.

The New Line projects were earlier categorised as under:-

Category-I—Lines to be funded from Railway's Plan funds.

A-I— Lines required on operation considerations and planned to be completed in 9th plan period.

A-II— Lines taken up in the North East Region.

A-III—Lines required on operational considerations other than falling in category A-1 and other lines considered necessary from the view point of developing backward areas with relatively a higher priority.

B—Lines taken up on developmental considerations.

Category-II—Lines to be funded from funds outside the Railway's Plan.

In the category of New Lines, the project of new line from Udampur-Srinagar-Baramulla has been taken up as a National Project to be funded from outside the Railway's Plan as announced by the Prime Minister in Parliament on 23.07.96. A statement made by Prime Minister is at *Annexure-I*. The issue of funding has been taken up with Planning Commission and Ministry of Finance but no commitment of funds have yet been conveyed by the Planning Commission.

The Gauge Conversion projects have also been categorised in the similar categories as done for new lines except that for such projects, B1 category is for those taken up on strategic considerations. Earlier these projects were categorised in the following categories:

Category-I—Lines to be funded from Railway's Plan funds.

A-I Those projects which are in advanced stage of progress and most of them will be completed in 97-98.

A-II Projects having operational priority.

A-III Projects taken up on strategic consideration.

A-IV Projects taken up in NE region.

B — Projects taken up on developmental/missing link considerations.

Category-II—Projects to be funded from funds outside Railway's Plan.

This categorisation will enable rational distribution of resources for progressing projects in the different categories at a desirable pace and will also prevent thin spread of resources over the entire spectrum of projects in which case there is delayed completion of projects and all projects would have time and cost over funds. It is not possible to indicate expected time duration of individual project which will depend on the quantum of resources which become available each year in the coming period. However, project likely to be completed in the 9th plan period have been indicated in priority A-3.

The CCEA have since approved the prioritisation for New Lines and Gauge Conversion projects as detailed in the enclosed priority list at Annexure-II.

Funding of the projects will be done in accordance with the above mentioned prioritisation.

[Ministry of Railways, OM No. 98/BC-II/SCR/XII/6, dated 22.1.99]





## ANNEXURE-I

## PRIORITY LIST OF NEW LINE AND GAUGE CONVERSION PROJECTS AS APPROVED BY CCEA

## PRIORITISATION OF NEW LINE PROJECTS

Priority	Category	S. No.	Project	Km	Cost	Throw forward as on 1.4.1999	\$ Priority fixed by the previous Govt.
1	2	3	4	5	6	7	
PRIORITY A1-Completed projects, residual works in progress.							
A1	1		Talcher-Sambalpur	174	389	17	A-I/2
			Total	174	389	17	
PRIORITY A2-VIABLE PROJECTS/THOSE REQUIRED ON OPERATIONAL CONSIDERATIONS.							
A2	1		Daitari-Banspani	155	590	395 @	A-I/4
A2	2		Dharamavaram-Penukonda via Puttaparthi	60	94	94	A-III/25
A2	3		Dallirajahara-Jegdarpur*	135	367	363	Category II/61
A2	4		Panvel-Karjat	28	107	92	B/30
A2	5		Hubli-Ankola	164	483	473	A-III/13
A2	6		Amrawati-Narkher	138	175	149	B/35
A2	7		Kakinada-Kotapalli**	45	51	51	B/38
A2	8		Haridaspur-Paradeep	78	300	288 @	A-III/12
A2	9		Angul-Sukinda Road	90	246	243	A-III/14
			Total	893	2413	2148	

\* SAIL is providing full cost for Ist phase work from Dallirajahara to Rowghat. For the rest of the line SAIL is providing finances to the tune of Rs. 75 crs. at 7% interest to be adjusted through freight concessions, M.P. Govt. will be providing land free of cost worth Rs. 25 crs. and rest of the money is to be given by the Railway out of total cost of Rs. 363 crs. Railway share will be Rs. 128 crs.

\*\* Clearances yet to be obtained.

1	2	3	4	5	6	7
PRIORITY A3-PROJECTS NEARING COMPLETION AND THOSE WHICH WILL GET COMPLETED IN 9TH PLAN.						
A3	1	Kapadvanj-Modasa	59	41	27	B/45
A3	2	Bongaon-Petrapole	6	7	4	Inadvertantly left over
A3	3	Katra-Faizabad	7	51	31	B/33
A3	4	Guna-Etawah	348	350	140@	A-I/5
A3	5	Laxmikantapur-Namkhana	47	100	43@	A-III/1
Total			467	549	245	
PRIORITY B1-PROJECTS IN JAMMU & KASHMIR.						
Project to be funded from Railway's Plan						
B1	1	Jammu Tawi-Udhampur	53	345	40	A-I/3
Total			53	345	40	
National Project to be funded from outside the Railway's Plan						
B1	2	Udhampur-Srinagar-Baramula	290	2500	2348	Category II/60
Total			290	2500	2348	
Grand Total B1			343	2845	2388	
@ Updated Cost						
PRIORITY B2-PROJECTS IN NORTH EAST REGION.						
B2	1	Jogighopa-Guwahati	142	642	68	A-I/1
B2	2	Harmuti-Itanagar	33	156	146	A-II/10
B2	3	Dudhnoi-Depa	15	22	19	A-II/6
B2	4	Kumarghat-Agartala	119	875	849@	A-II/7
B2	5	Bogibeel bridge	46	1000	998	A-II/8
B2	6	Diphu-Karong	123	1604	1604@	A-II/9
Total			478	4299	3684	
@ Updated Cost						
PRIORITY B3- PROJECTS INVOLVING MAJOR BRIDGES COSTING OVER 100 CRS.						
B3	1	Patna-Ganga bridge**	16	600	598	A-III/19
B3	2	Rail Bridge on Ganga at Munger**	12	600	599	A-III/21
Total			28	1200	1197	
** Clearances yet to be obtained.						
PRIORITY C-SOCIALLY DESIRABLE PROJECTS.						
C1-Projects Already cleared						
C1A-Projects having higher priority amongst C1						
C1A	1	Restoration of Fatua-Islampur	45	49	48	New work
C1A	2	Rajgir-Hisua-Tilaya	27	49	48	New work
C1A	3	Lalitpur-Satna & Rewa-Singrauli	627	925	924	B/51
C1A	4	Chandigarh-Ludhiana	95	248	247	A-III/16
C1A	5	Bishrampur-Ambikapur	23	40	40	A-III/27
C1A	6	Ara-Sasaram	98	120	115	A-III/20
C1A	7	Eklakhi-Balurghat	87	82	57	B/36
C1A	8	Nangal Dam- Talwara	83	150	118	B/31
C1A	9	Beas to Dera Baba Jaimal Singh	5	4	4	Inadvertantly left over

1	2	3	4	5	6	7
C1A	10	Munirabad-Mehboobnagar	222	380	375	A-III/29
C1A	11	Howrah-Amta	73	120	89	B/39
C1A	12	Tamluk-Digha	87	74	35	B/40
C1A	13	Hassan-Bangalore	166	295	268	A-III/23
C1A	14	Karur-Salem	85	136	116	B/47
C1A	15	Godhra-Indore-Dewas-Maksi*	316	297	280	B/44
C1A	16	Giridih-Koderma	105	145	144	A-III/18
C1A	17	Ranchi-Barkakhana-Hazaribagh-Koderma	189	491	491	New work
C1A	18	Sakri-Hassanpur	76	90	76	A-III/15
C1A	19	Muzaffarpur-Sitamarhi	63	100	98	A-III/17
C1A	20	Angamali-Sabarimala	116	550	550	B/48
Total			2588	4345	4123	
* Dewas to Maksi will be completed first.						
C1B-OTHER PROJECTS NOT COVERED IN C1A						
C1B	1	Ahmednagar-Beed-Parli Vaijnath	250	353	351	B/50
C1B	2	Mandarhill-Rampurhat via Dumka	130	170	164	B/32
C1B	3	Khagaria-Kusheshwarasthan	44	78	77	A-III/22
C1B	4	Peddapally-Karimnagar-Nizamabad	177	261	238	B/37
C1B	5	Nandyal-Yerraguntla	126	156	153	B/42
C1B	6	Lanjigarh Road-Junagarh	54	100	89	B/34
C1B	7	Khurda Road-Bolangir	289	353	348	B/41
C1B	8	Kottur-Harihar	65	66	66	B/46
C1B	9	Kadur-Chickmagalur-Saklesphur	100	157	150	B/43
C1B	10	Dausa-Gangapur	93	152	151	B/49
C1B	11	Macheria-Nalgonda	32	48	48	B/58
Total			1360	1894	1835	
C2 - Projects yet to be cleared.						
C2A - Projects having operational priority which will go to category CIA after clearances.						
C2A	1	Dumka-Devghar	60	180	180	New work
C2A	2	Taran Taran-Goindwal	21	25	25	A-III/26
C2A	3	Duraunda-Maharajganj	6	4	3	B/57
C2A	4	Kopargaon-Shirdi	16	32	32	B/53
C2A	5	Abohar-Fazilka	25	30	30	B/56
C2A	6	Kalka-Parvanoo	7	23	23	B/59
Total			135	294	293	

1	2	3	4	5	6	7
	C2B – Other socially desirable projects which will go to category C1B after clearances.					
C2B	1	Baramati-Lonad	54	75	75	B/52
C2B	2	Etawah-Mainpuri	60	120	120	A-III/28
C2B	3	Gulbarga-Bidar	116	242	242	B/54
C2B	4	Gadwal-Raichur	60	93	92	New work
C2B	5	Bangalore-Satyamanglam	200	225	225	A-III/24
C2B	6	Kottayam-Erumeli	43	200	200	B/55
	Total		533	955	954	
	Grand Total				16924	

Throw forward of Rs. 16924 cr. does not take into account cost escalation and is based on current costs.

\$ Priorities as fixed by previous Government.

Category-I Lines to be funded from Railway's Plan funds.

Priority 'A'

A-I Lines Required on operational considerations and planned to be completed in 9th plan period.

A-II Lines taken up in the NORTH EAST REGION.

A-III Lines required on operational considerations other than falling in category A-I and other lines considered necessary from the view point of developing backward areas with relatively a higher priority.

B Lines taken up on developmental considerations.

Category - II Lines to be funded from funds outside the Railway's Plan.



## PRIORITISATION OF GAUGE CONVERSION PROJECTS

Priority	Category	S. No.	Project	Km	Cost	Throw forward as on 1.4.1999	\$ Priority fixed by the previous Govt.
1	2	3	4	5	6	7	
Priority A1 – Completed projects, residual works in progress.							
A1	1	Lumding-Dibrugarh	628	592	1		AI-6
A1	2	Madras Beach-Tiruchchirappall	340	426	40		AI-4
A1	3	Hajipur-Bachwara	67	67	1		Completed
A1	4	Secunderabad-Dronachellam	331	307	9		AI-5
A1	5	Bangalore-Hubli-Birur-Shimoga	469	431	49 #		AII-11
A1	6	Mysore-Hassan	119	149	12		AI-7
A1	7	Phulera-Marwar-Ahmedabad	572	632	40		Completed
A1	8	Luni-Marwar and Jodhpur-Luni	102	93	9		AI-3
A1	9	Hospet-Hubli-Goa	489	531	49		Completed
Total			2526	2605	210		
# Updated cost							
Priority A2 – Viable projects/those required on operational considerations.							
A2	1	Surendernagar-Bhavnagar	385	337	307		AII-24
A2	2	Wankaner-Malia Miyana	90	79	64		B-50
A2	3	Gadhidham-Palanpur**	318	318	318		New Work
A2	4	Mudkhed-Adilabad	162	115	74		CII-52
A2	5	Kanpur-Kasgank-Mathura	458	395	355		AII-14
A2	6	Arsikere-Hassan-Mangalore	236	185	87		AI-1
A2	7	Thanjavur-Villupuram main line**	192	223	223		New Work
A2	8	Sriganganagar-Sarupsar **	116	69	69		B-47
A2	9	Dindigul-Trichy	93	89	0		AII-11
A2	10	Dharangadhara-Kuda Siding	22	9	6		Category II-53
A2	11	Narkatiaganj-Valmikinagar	50	45	2		AII-18
A2	12	Mathura-Achnera	35	20	20		AII-25
A2	13	Khadda-Gorakhpur	86	58	0		AII-16
A2	14	Guntur-Guntakal & Guntakal-Kailuru	458	502	58		AII-13
A2	15	Secunderabad-Mudkhed & Jankhampet-Bodhan	256	283	278		AII-23

1	2	3	4	5	6	7
A2	16	Gondia-Chandafort	242	233	1	AI-2
A2	17	Rajkot-Veraval	155	100	81	B-45
A2	18	Neemuch-Ratlam	135	117	103	AII-20
A2	19	Agra-Bandikui	151	150	139#	AII-19
A2	20	Bhildi-Samdari	157	185	185	Frozen
A2	21	Ajmer-Udaipur-Chittaurgarh	300	262	242	AII-10
A2	22	Gonda-Gorakhpur Loop**	250	250	250	AII-31
Total			4347	4024	2862	
# Updated Cost.						
** Clearances yet to be obtained.						
Priority A 3- Projects nearing completion and those which will get completed.						
A3	1	Indara-Phephana	51	35	5	AII-28
A3	2	Kashipur-Lalkuan	60	47	40	B-41
A3	3	Katpadi-Pakala Tirupati	104	113	81	AII-15
A3	4	Solapur-Gadag	300	275	147	Inadvertantly left over
A3	5	Gandhidham-Bhuj	58	41	33	B-38
A3	6	Rewari-Sadulpur**	141	198	198	B-51
A3	7	Rewari-Delhi 2nd line	83	59	37	AII-22
A3	8	Bhildi-Viramgam	157	155	150	AII-9
Total			843	840	646	
** Clearances yet to be obtained.						
Priority B1-Projects taken up on strategic considerations.						
B1	1	Luni-Barmer-Munabao	300	240	219	AIII-33
Total			300	240	219	
Priority B2 - Projects in North East Region.						
B2	1	New Jalpaiguri-Siliguri-New Bongaigaon**	280	468	468	AIV-35
B2	2	Lumding-Silchar	198	648	606	AIV-34
B2	3	Katakhal-Bairabhi**	84	200	200	AIV-36
Total			562	1316	1274	
Priority C - Socially desirable projects.						
C1 - Projects Already cleared.						
C1A - Projects having higher priority among C1 category projects.						
C1A	1	Jayanagar-Darbhanga-Narkatiaganj	260	233	233	AII-29
C1A	2	Ranchi-Lohardaga with extention to Tori	118	147	135	AII-21
C1A	3	Mansi-Saharsa	155	210	182	AII-17
C1A	4	Jabalpur-Gondla including Balaghat-Katangi	285	386	366	B-40
C1A	5	Madurai-Ramesh waram	161	240	240	B-42
C1A	6	Samastipur-Khagaria**	86	70	70	AII-8
Total			1060	1286	1227	





1	2	3	4	5	6	7
CIB – Other Projects not covered in C1A among C1 category projects.						
C1B	1	Rupsa-Bangariposi	89	58	54	B-46
C1B	2	Miraj-Latur	359	314	252	B-43
C1B	3	Tiruchchirappalli-Nagore	200	138	60@	B-48
Total			648	510	366	
@ Trichy-Thanjavur completed rest of the work showed down due to refineries not coming up yet.						
** Clearances yet to be obtained.						
C2–Projects yet to be cleared.						
C2B–Other socially desirable projects, which will go to category C1B after clearance.						
C2B	1	Bankura-Damodar River (BDR) railway line	96	100	100	New Work
C2B	2	Gonda-Bahraich	60	48	48	B-39
C2B	3	Katihar-Jogbani	108	100	100	AII-32
C2B	4	Dharmavaram-Pakala	227	200	200	B-37
C2B	5	Naupada-Gunupur	90	47	47	B-44
C2B	6	Mysore-Chamarajanagar	210	175	175	AII-27
C2B	7	Quilon-Tirunelveli-Trichendur & Tenkasi-Virudhnagar	357	280	280	AII-30
C2B	8	Villupuram-Pondicherry	37	30	30	B-49
Total "C2B"			1185	980	980	
Grand Total					7784	
Throwforward of Rs. 7784 cr. does not take into account cost escalation and is based on current costs.						
\$ Priorities as fixed by previous Government						
Category-I Lines to be funded from Railway's Plan funds.						
PRIORITY 'A'						
A-I Those projects which are in advanced stage of progress and most of them will be completed in 97-98.						
A-II Projects having operational priority.						
A-III Projects taken up on strategic consideration.						
A-IV Projects taken up in NE region.						
B- Projects taken up on developmental/missing link consideration.						
Category-II Projects to be funded from funds outside Railway's Plan.						

### Revised/Updated Reply of the Government

The Committee has correctly appreciated the problem being faced by the Railways. In the meantime, as per the directions of the CCEA all the railway projects in the plan heads new lines and gauge conversions have been prioritised so that we are able to allocate resources on a rational basis with a view to progressively completing these projects over the coming years.

The new line projects have now been categorised in the following categories:

- A1 Completed projects, residual works in progress.
- A2 Viable projects/those required on operational considerations.
- A3 Projects nearing completion and those which will get completed in 9<sup>th</sup> plan.
- B1 Projects in Jammu & Kashmir.
- B2 Projects in North East Region.
- B3 Projects involving major bridges costing over 100 cr.
- C Socially desirable projects.
- C1 Projects already cleared.
- C1A Projects having higher priority amongst C1 category projects.
- C1B Other Projects not covered in C1A.
- C2 Projects yet to be cleared.
- C2A Projects having operational priority which will go to category C1A after clearances.
- C2B Other socially desirable projects which will go to C1B after clearances.

The New Line projects were earlier categorised as under:—

**CATEGORY-I** Lines to be funded from Railway's Plan funds.

- A-I Lines required on operation considerations and planned to be completed in 9<sup>th</sup> plan period.
- A-II Lines taken up in the North East Region.
- A-III Lines required on operational considerations other than falling in category A-I and other lines considered necessary from the view point of developing backward areas with relatively a higher priority.
- B Lines taken up on developmental considerations.



CATEGORY-II Lines to be funded from funds outside the Railway's Plan.

In the category of New Lines, the project of new line from Udhampur-Srinagar-Baramulla has been taken up as a National project to be funded from outside the Railway's Plan as announced by the Prime Minister in Parliament on 23.07.96. A statement made by Prime Minister in an Annexure-I. The issue of funding has been taken up with Planning Commission and Ministry of Finance but no commitment of funds have yet been conveyed by the Planning Commission.

The gauge conversion projects have also been categorised in the similar categories as done for new lines except that for such projects, B1 category is for those taken up on strategic considerations. Earlier these projects were categorised in the following categories:

CATEGORY-I Lines to be funded from Railway's Plan funds.

- A-I Those projects which are in advanced stage of progress and most of them will be completed in 97-98.
- A-II A-II Projects having operational priority.
- A-III Projects taken up on strategic considerations.
- A-IV Projects taken up in NE Region.
- B Projects taken up on developmental/missing link considerations

CATEGORY-II Projects to be funded from funds outside Railways Plan.

This categorisation will enable rational distribution of resources for progressing projects in the different categories at a desirable pace and will also prevent thin spread of resources over the entire spectrum of projects in which case there is delayed completion of projects and all projects would have time and cost over runs. It is not possible to indicate expected time duration of individual projects which will depend on the quantum of resources which become available each year in the coming period. However, project likely to be completed in the 9<sup>th</sup> plan period have been indicated in priority A-3.

The CCEA had approved the prioritisation for New Lines and gauge conversion projects in November 1998 as detailed in the enclosed priority list at Annexure-II. Some of the projects listed in the priority list have been completed and some new works have been added after that. These are indicated therein.

Funding of the projects are being done in accordance with the above mentioned prioritisation.

[Ministry of Railways OM No. 2000/BC-II/XIII/200/7 dated 26.9.2000]

ANNEXURE-I

STATEMENT MADE BY P.M. IN PARLIAMENT ON JULY 23, 1996

As Hon'ble Members are aware, the massive unemployment of youth in the State of Kashmir has been a contributory factor in the growth of militancy. Similarly, the State is deficient in power which is an essential infrastructure for development of industry and even for tourism. Government, therefore, proposes to take up some important projects and also to complete the on-going projects on a top priority.

Government would be taking up the construction of 290 km. railway line from Udhampur to Baramulla as a national project to be financed by Government of India outside the Railway's Plan. The project is estimated to cost Rs. 2500 crores and would be a great factor in integrating Kashmir with the rest of the country. In addition to providing employment in the State itself on completion, the rail communications would help in the mobility of people from the State to the rest of the country for employment, education, trade, etc. The survey work from Udhampur to Banihal has already been completed and survey work upto Baramulla will be over by March, 1997. The line would pass via Katra-Riasi-Banihal-Quzigund-Srinagar. The Railway would take up the work of construction of the Udhampur-Katra Section immediately, to be completed in 4 years time. Government would provide Rs. 200 crores for this phase of the work. With adequate funding, the entire line upto Baramulla could be completed in 8-10 years time.



## ANNEXURE-II

PRIORITY LIST OF NEW LINE AND GAUGE CONVERSION PROJECTS AS  
APPROVED BY CCEA

PRIORITISATION OF NEW LINE PROJECTS

Priority	Category	S. No.	Project	Km.	Cost	Throw forward as on 1.4.1999	\$ Priority fixed by the previous Govt.
1	2	3	4	5	6	7	
			PRIORITY A1-Completed projects, residual works in progress.				
A1	1		Talcher-Sambalpur	174	389	17	A-1/2
			Total	174	389	17	
			PRIORITY A2-VIABLE PROJECTS/THOSE REQUIRED ON OPERATIONAL CONSIDERATIONS.				
A2	1		Daitari-Banspani	155	590	395@	A-I/4
A2	2		Dharamavaram-Penukonda via Puttaparthi	60	94	94	A-III/25
A2	3		Dallirajahara-Jagdarpur*	135	367	363	Category II/61
A2	4		Panvel-Karjat	28	107	92	B/30
A2	5		Hubli-Ankola	164	483	473	A-III/13
A2	6		Amrawati-Narkher	138	175	149	B/35
A2	7		Kakinada-Kotapalli**	45	51	51	B/38
A2	8		Haridaspur-Paradeep	78	300	288@	A-III/12
A2	9		Angul-Sukinda Road	90	246	243	A-III/14
			Total	893	2413	2148	
* Sail is providing full cost for 1st phase work from Dallirajahara to Rowghat. For the rest of the line SAIL is providing finances to the tune of Rs. 75 crs. at 7% interest to be adjusted through freight concessions, M.P. Govt. will be providing land free of cost worth Rs. 25 cr. and rest of the money is to be given by the Railway out of total cost of Rs. 363 crs. Railway share will be Rs. 128 cr.							
**Clearances yet to be obtained.							
			PRIORITY A3- PROJECTS NEARING COMPLETION AND THOSE WHICH WILL GET COMPLETED IN 9TH PLAN.				
A3	1		Kapadvanj-Modasa	59	41	27	B/45
A3	2		Bongaon-Petrapole	6	7	4	Inadvertantly left over Completed.
A3	3		Katra-Faizabad	7	51	31	B/33
A3	4		Guna-Etawah	348	350	140@	A-1/5
A3	5		Laxmikantapur-Namkhana	47	100	43@	A-III/11
			Total	467	549	245	

1	2	3	4	5	6	7
PRIORITY B1- PROJECTS IN JAMMU & KASHMIR.						
Project to be funded from Railway's Plan						
B 1	1	Jammu Tawi-Udhampur	53	345	40	A-1/3
Total			53	345	40	
National Project to be funded from outside the Railway's Plan						
B 1	2	Udhampur-Srinagar-Baramula	290	2500	2348	Category II/60
Total			290	2500	2348	
Grand total B1			343	2845	2388	
@ Updated Cost						
PRIORITY B2-PROJECTS IN NORTH EAST REGION.						
B 2	1	Jogighopa-Guwahati	142	642	68	A-I/1 Completed
B 2	2	Harmuti-Itanagar	33	156	146	A-II/10
B 2	3	Dudhnoi-Depa	15	22	19	A-II/6
B 2	4	Kumarghat-Agartala	119	875	849@	A-II/7
B 2	5	Bogibeel bridge	46	1000	998	A-II/8
B 2	6	Diphu-Karong	123	1604	1604@	A-II/9
Total			478	4299	3684	
@ Updated Cost						
PRIORITY B3-PROJECTS INVOLVING MAJOR BRIDGES COSTING OVER 100 CRS.						
B 3	1	Patna-Ganga bridge**	16	600	598	A-III/19
B 3	2	Rail Bridge on Ganga at Munger**	12	600	599	A-III/21
Total			28	1200	1197	
** Clearances yet to be obtained						
PRIORITY C- SOCIALLY DESIRABLE PROJECTS.						
C1- Projects Already cleared						
C1A-Projects having higher priority amongst C1						
C1A	1	Restoration of Fatua-Islampur	45	49	48	New work
C1A	2	Rajgir-Hisua-Tilaya	27	49	48	New work
C1A	3	Lalitpur-Satna & Rewa-Singrauli	627	925	924	B/51
C1A	4	Chandigarh-Ludhiana	95	248	247	A-III/16
C1A	5	Bishrampur-Ambikapur	23	40	40	A-III/27
C1A	6	Ara-Sasaram	98	120	115	A-III/20
C1A	7	Eklakhi-Balurghat	87	82	57	B/36
C1A	8	Nangal Dam- Talwara	83	150	118	B/31
C1A	9	Beas to Dera Baba Jaimal Singh	5	4	4	Inadvertantly left over
C1A	10	Munirabad-Mehboobnagar	222	380	375	A-III/29
C1A	11	Howrah-Amta	73	120	89	B/39
C1A	12	Tamluk-Digha	87	74	35	B/40
C1A	13	Hassan-Bangalore	166	295	268	A-III/23



1	2	3	4	5	6	7
C1A	14	Karur-Salem	85	136	116	B/47
C1A	15	Godhra-Indore-Dewas-Maksi*	316	297	280	B/44
C1A	16	Giridih-Koderma	105	145	144	A-III/18
C1A	17	Ranchi-Barkakhana-Hazaribagh-Koderma	189	491	491	New work
C1A	18	Sakri-Hassanpur	76	90	76	A-III/15
C1A	19	Muzaffarpur-Sitamarhi	63	100	98	A-III/17
C1A	20	Angamali-Sabarimala	116	550	550	B/48
Total			2588	4345	4123	
* Dewas to Maksi will be completed first.						
C1B-OTHER PROJECTS NOT COVERED IN C1A						
C1B	1	Ahmednagar-Beed-Parli Vaijnath	250	353	351	B/50
C1B	2	Mandarhill-Rampurhat via Dumka	130	170	164	B/32
C1B	3	Khagaria-Kushesh warsthan	44	78	77	A-III/22
C1B	4	Peddapally-Karimnagar-Nizamabad	177	261	238	B/37
C1B	5	Nandyal-Yerraguntla	126	156	153	B/42
C1B	6	Lanjigarh Road-Junagarh	54	100	89	B/34
C1B	7	Khurda Road-Bolangir	289	353	348	B/41
C1B	8	Kottur-Harihar	65	66	66	B/46
C1B	9	Kadur-Chickmagalur-Saklesphur	100	157	150	B/43
C1B	10	Dausa-Gangapur	93	152	151	B/49
C1B	11	Macherla-Nalgonda	32	48	48	B/58
Total			1360	1894	1835	
C2 - Projects yet to be cleared.						
C2A - Projects having operational priority which will go to category C1 A after clearances.						
C2A	1	Dumka-Devghar	60	180	180	New work
C2A	2	Taran Taran-Goindwal	21	25	25	A-III/26
C2A	3	Duraunda-Maharajganj	6	4	3	B/57
C2A	4	Kopargaon-Shirdi	16	32	32	B/53
C2A	5	Abohar-Fazilka	25	30	30	B/56
C2A	6	Kalka-Parvanoo	7	23	23	B/59
Total			135	294	293	
C2B - Other socially desirable projects which will go to category C1B after clearances						
C2B	1	Baramati-Lonad	54	75	75	B/52
C2B	2	Etawah-Mainpuri	60	120	120	A-III/28
C2B	3	Gulbarga-Bidar	116	242	242	B/54

1	2	3	4	5	6	7
C2B	4	Gadwal-Raichur	60	93	92	New work
C2B	5	Bangalore-Satyamanglam	200	225	225	A-III/24
C2B	6	Kottayam-Erumeli	43	200	200	B/55
Total			533	955	954	
Grand Total			16924			

Throw forward of Rs. 16924 cr. does not take into account cost escalation and is based on current costs.

\$ Priorities as fixed by previous Government.

Category-I Lines to be funded from Railway's Plan funds.

Priority 'A'

A-I Lines Required on operational considerations and planned to be completed in 9<sup>th</sup> plan period.

A-II Lines taken up in the NORTH EAST REGION.

A-III Lines required on operational considerations other than falling in category A-I and other lines considered necessary from the view point of developing backward areas with relatively a higher priority.

B- Lines taken up on developmental considerations

Category - II Lines to be funded from funds outside the Railway's Plan.

#### NEW WORK TAKEN UP AFTER THIS LIST WAS FINALISED (NEW LINES)

S.No.	Name of works	Category in which it will fall
1.	Agra-Etawah	C1
2.	Kakinada-Pithapuram	C2
3.	Deogarh-Sultanganj	C1
4.	Tarkeshwar-Bishnupur	C1
5.	Kotapalli-Narsapur	C1
6.	Jogighopa-Maynaguri	C1
7.	Ramganj Mandi-Bhopal	C1
8.	Ajmer-puskar	C1
9.	Gandhinagar-Adraj Moti-Kalol	C1



PRIORITISATION OF GAUGE CONVERSION PROJECTS

Category	S.No.	Project	Km.	Cost	Throw forward as on 1.4.1999	\$ Priority fixed by the previous Govt.
1	2	3	4	5	6	7
PRIORITY A1- Completed projects, residual works in progress.						
A1	1	Lumding-Dibrugarh	628	592	1	AI-6 Completed except Amguri-Tuli & Makum-Dongri which will be completed this year.
A1	2	Madras Beach-Tiruchchirappalli	340	426	40	AI-4 Completed.
A1	3	Hajipur-Bachwara	67	67	1	Completed.
A1	4	Secunderabad-Dronachcllam	331	307	9	AI-5 Completed.
A1	5	Bangalore-Hubli-Birur-Shimoga	469	431	49 #	AI-11 Completed except Talguppa Shimoga.
A1	6	Mysore-Hassan	119	149	12	AI-7 Completed.
A1	7	Phulera-Marwar-Ahmedabad	572	632	40	Completed.
A1	8	Luni-Marwar and Jodhpur-Luni	102	93	9	AI-3 Completed.
A1	9	Hospet-Hubli-Goa	489	531	49	Completed.
		Total	2526	2605	210	
	#	Updated cost				
PRIORITY A2-Viable projects/those required on operational considerations.						
A2	1	Surendernagar-Bhavnagar	385	337	307	AII-24
A2	2	Wankaner-Malia Miyana	90	79	64	B-50 Completed from Morbi-Maliya Miyana and Dahinsara to Navlakhi. Rest will be completed this year.
A2	3	Gadhidham-Palanpur**	318	318	318	New Work
A2	4	Mudkhed-Adilabad	162	115	74	C-II/52



1	2	3	4	5	6	7	
A2	5	Kanpur-Kasganj-Mathura	458	395	355	AII-14	
A2	6	Arsikere-Hassan-Mangalore	236	185	87	AI-1	
A2	7	Thanjavur-Villupuram main line**	192	223	223	New Work	
A2	8	Sriganganagar-Sarupsar **	116	69	69	B-47	
A2	9	Dindigul-Trichy	93	89	0	AII-11	Completed.
A2	10	Dharangadhara-Kudasiding	22	9	6	Category II-53	
A2	11	Narkatiaganj-Valmikinagar	50	45	2	AII-18	Completed.
A2	12	Mathura-Achnera	35	20	20	AII-25	
A2	13	Khadda-Gorakhpur	86	58	0	AII-16	Completed.
A2	14	Guntur-Guntakal & Guntakal-Kalluru	458	502	58	AII-13	Completed.
A2	15	Secunderabad-Mudkhed & Jankhampet-Bodhan	256	283	278	AII-23	
A2	16	Gondia-Chandafort	242	233	1	AI-2	
A2	17	Rajkot-Veraval	155	100	81	B-45	
A2	18	Neemuch-Ratlam	135	117	103	AII-20	
A2	19	Agra-Bandikui	151	150	139 #	AII-19	
A2	20	Bhildi-Samdari	157	185	185	Frozen	
A2	21	Ajmer-Udaipur-Chittaurgarh	300	262	242	AII-10	
A2	22	Gonda-Gorakhpur Loop**	250	250	250	AII-31	
		Total	4347	4024	2862		
	#	Updated Cost					
	**	Clearances yet to be obtained.					
PRIORITY A 3- Projects nearing completion and those which will get completed.							
A3	1	Indara-Phephana	51	35	5	AII-28	Completed.
A3	2	Kashipur-Lalkuan	60	47	40	B-41	Completed.
A3	3	Katpadi-Pakala Tirupati	104	113	81	All-15	

1	2	3	4	5	6	7	
A3	4	Solapur-Gadag	300	275	147	Inadvertantly left over	Sholapur to Bijapur completed. Rest in progress.
A3	5	Gandhidham-Bhuj	58	41	33	B-38	
A3	6	Rewari-Sadulpur**	141	198	198	B-51	
A3	7	Rewari-Delhi 2nd line	83	59	37	AII-22	
A3	8	Bhildi-Viramgam	157	155	150	AII-9	
		Total	843	840	646		
	**	Clearances yet to be obtained.					
		PRIORITY BI-Projects taken up on strategic considerations.					
B1	1	Luni-Barmer-Munabao	300	240	219	AIII-33	
		Total	300	240	219		
		PRIORITY B2 – Projects in North East Region.					
B2	1	New Jalpaiguri-Siliguri-New Bongaigaon**	280	468	468	AIV-35	
B2	2	Lumding-Silchar	198	648	606	AIV-34	
B2	3	Katakhal-Bairabhi**	84	200	200	AIV-36	
		Total	562	1316	1274		
		PRIORITY C– Socially desirable projects.					
		C1– Projects Already cleared.					
		C1A – Projects having higher priority among C1 category projects.					
C1A	1	Jayanagar-Darbhanga-Narkatignj	260	233	233	AII-29	
C1A	2	Ranchi-Lohardaga with extention to Tori	118	147	135	AII-21	
C1A	3	Mansi-Saharsa	155	210	182	AII-17	

1	2	3	4	5	6	7
C1A	4	Jabalpur-Gondia including Balaghat-Katangi	285	386	366	B-40
C1A	5	Madurai-Rameswaram	161	240	240	B-42
C1A	6	Samastipur-Khagaria**	86	70	70	AII-8
Total			1060	1286	1227	
C1B – Other Projects not covered in C1A among C1 category projects.						
C1B	1	Rupsa-Bangariposi	89	58	54	B-46
C1B	2	Miraj-Latur	359	314	252	B-43
C1B	3	Tiruchchirappali-Nagore	200	138	60@	B-48
Total			648	510	366	

@ Trichy-Thanjavur completed, rest of the work showed down due to refineries not coming up yet.

\*\* Clearances yet to be obtained.

C2-Projects yet to be cleared.

C2B-other socially desirable projects, which will go to category C1B after clearance.

C2B	1	Bankura-Damodar-River (BDR) railway line	96	100	100	New Work
C2B	2	Gonda-Bahraich	60	48	48	B-39
C2B	3	Katihar-Jogbani	108	100	100	AII-32
C2B	4	Dharmavaram-Pakala	227	200	200	B-37
C2B	5	Naupada-Gunupur	90	47	47	B-44
C2B	6	Mysore-Chamarajanagar	210	175	175	AII-27



1	2	3	4	5	6	7
C2B	7	Quilon-Tirunelveli-Trichendur & Tenkasi-Virudhnagar	357	280	280	AII-30
C2B	8	Villupuram-Pondicherry	37	30	30	B-49
Total "C2B"			1185	980	980	
Grand Total					7784	

Throw forward of Rs. 7784 cr. does not take into account cost escalation and is based on current costs.

\$ Priorities as fixed by previous Government.

CATEGORY-I Lines to be funded from Railway's Plan funds.

PRIORITY 'A'

A-I Those projects which are in advanced stage of progress and most of them will be completed in 97-98.

A-II Projects having operational priority.

A-III Projects taken up on strategic consideration.

A-IV Projects taken up in NE region.

B- Projects taken up on developmental/missing link consideration.

CATEGORY-II Projects to be funded from funds outside Railway's Plan.

#### NEW WORK TAKEN UP AFTER THIS LIST WAS FINALISED

(Gauge conversion)

S.No.	Name of Works	Category in which it will fall
1.	Kaptanganj-Thawe-Siwan-Chhapra	C2
2.	Salem-Cuddalore	C2
3.	Katpadi-Villupuram	C1
4.	Trichy-Manmadurai	C1

### **Recommendation (Para No. 200)**

The Committee are not at all satisfied with the present state of affairs. They, therefore, recommend that unless and until the Ministry fixes a time frame for completing the project and strictly adhere to it, it is not feasible for the Railways to get rid of the ongoing predicament of time and cost-over-runs of the pending projects. According to the Committee, the only remedy for the aforesaid ill is to have a clear cut Policy to select new projects and fixing a time-frame for every project. The Committee recommend that the ongoing pending projects should be given top priority for funding and should be completed within a time bound programme. Selecting of new projects should not be made in an arbitrary manner but on the recommendations of a Committee consisting of representatives of the Railways, Ministry of Finance, Planning Commission etc.

### **Reply of the Government**

The recommendations of the Committee that the Ministry should fix a time frame for completing the projects and strictly adhere to it, this has been done for priority 'A' projects as detailed in reply to para 201 above. For the other projects, it is not possible to do so in view of non-availability of adequate resources. The only course open to the Ministry was to priorities the projects and this has been done as detailed in para 201 above. There is a clear cut policy regarding taking up of new projects which was initiated by the National Transport Policy Committee (extract of report at Annexure-A). The ongoing pending projects will be funded as per the priority approved by the Cabinet and would be completed in the coming years accordingly.

As regards selection of new projects based on the recommendations of a Committee consisting of representatives of Railways, Ministry of Finance, Planning Commission, it is brought to the notice of the Committee that all projects costing over Rs. 50 crs. which are proposed to be taken up are considered by the Expanded Board which consists of the Members of the Railway Board, the Expenditure Secretary, Ministry of Finance, Special Secretary, Planning Commission and Secretary, Department of Programme Implementation.

[Ministry of Railways, OM No. 98/BC-II/SCR/XII/6, dated 22.1.99]

**ANNEXURE - A**

**Recommendations of NTPC**

(a) The recommendations of the National Transport Policy Committee on the opening of New Lines is given below :

**Extension of Railway routes in far-off areas**

The National Transport Policy Committee (NTPC) in their report submitted in May, 1980 had recommended the following criteria for New Lines and Projects :

- (i) Project-oriented lines to serve new industries or tap mineral or other resources.
- (ii) To serve as a missing link which can form alternative routes to relieve the congestion on existing busy rail routes.
- (iii) On strategic considerations.
- (iv) As developmental lines to establish new growth centres, or give access to remote areas.

**Revised/Updated Reply of the Government**

Time frame for completing the projects has been fixed for priority 'A' projects as detailed in reply to para 201. For the other projects, it has not been possible to do so in view of non-availability of adequate resources. Prioritisation of projects, the course which was open to it, has been done. There is a clear cut policy regarding taking up of new projects, as initiated by the National Transport Policy Committee (extract of report at *Annexure-A*). The ongoing pending projects will be funded as per the priority approved by the Cabinet and would be completed in the coming years accordingly.

As regards selection of new projects based on the recommendations of a Committee consisting of representatives of Railways, Ministry of Finance, Planning Commission, all projects costing over Rs. 50 cr., which are proposed to be taken up, are considered by the Expanded Board consisting of the Members of the Railway Board, the Expenditure Secretary, Ministry of Finance, Special Secretary, Planning Commission and Secretary, Department of Programme Implementation. These projects require the approval of CCEA, to whom these are put up with the recommendations of the Expanded Board. Work on these projects is taken up after the CCEA approval has been obtained.

[Ministry of Railways, OM No. 2000/BC-II/XIII/200/7, dated 26-9-2000]

## ANNEXURE - A

**Recommendations of NTPC**

(a) The recommendations of the National Transport Policy Committee on the opening of New Lines is given below :

**Extension of Railway routes in far-off areas**

The National Transport Policy Committee (NTPC) in their report submitted in May, 1980 had recommended the following criteria for New Lines and Projects :

- (i) Project-oriented lines to serve new industries or tap mineral or other resources.
- (ii) To serve as a missing link which can form alternative routes to relieve the congestion on existing busy rail routes.
- (iii) On strategic considerations.
- (iv) As developmental lines to establish new growth centres, or give access to remote areas.

The Indian Railway have been severely under-funded in the recent past and the budgetary support has been short of their requirements. Market borrowings are not a viable alternative for financing an infrastructure sector like railways beyond a point. The budgetary support which was 7.0% of the total outlay in the 1970s has declined to 2.7% in 1980. The average cost of railway borrowings is 17% and has imposed an increasing burden of loan charges to the tune of Rs. 2000 crore (estimated) in 1980-81 which is likely to rise further between the level of 10% and 12% of market borrowings and service borrowings. The railways which has several sectoral obligations (Developmental projects for social and strategic reasons have to be taken up for the railway-its social financial resources are hardly available with them. The Committee think that higher budgetary support is a must for the railways which is a public utility and a commercial enterprise. There cannot be a competing

**Recommendation (Para No. 201)**

It has come to the notice of the Committee during evidence that certain projects included in the Budget for which necessary financial allocations were voted and approved by the Parliament, were made subject to scrutiny by various agencies such as Planning Commission, Expanded Board, Cabinet Committee on Economic Affairs, etc. and are held up for non-clearance by these agencies. The Committee are of the view that once a proposal is voted and passed by the Parliament, it becomes a matter of privilege of the House. The Committee therefore recommend that new projects should be included in the Budget only after the necessary clearance is received from the concerned agencies, and once the necessary financial allocations are voted, approved and passed by the Parliament, such projects should not be curtailed or held up and must be implemented in right earnest.

**Reply of the Government**

The recommendations of the Committee that new projects should be included at the budget only after the necessary clearances have been received from the concerned agencies are accepted. However, it will be possible to implement these projects only as per the priority already approved by the Government and subject to availability of resources.

[Ministry of Railways, OM No. 98/BC-II/SCR/XII/6, dated 22-1-99]

**Recommendation (Para No. 202)**

The Indian Railway have been seriously under - funded in the recent Plan periods and the budgetary support has been short of their requirements. Market borrowings are not a viable alternative for financing an infrastructure sector like Railways beyond a point. The budgetary support which was 75% of the total outlay in the 5th Plan was reduced to 23% in 8th Plan. The average cost of Market borrowing is very high and has imposed an increasing burden of lease charges to the tune of Rs. 2303 crore (estimated) in 1998-99 which is likely the Market borrowing level itself. High cost of market borrowings and service burden are crippling the Railways which has several social obligations. Developmental projects for social and strategical reasons have to be taken up by the Railways for which financial resources are barely available with them. The Committee think that higher budgetary support is a must for the Railways which is a public utility first and a commercial enterprise thereafter. There cannot be a compatibility between the twin characters of Railways first as a public utility and then a commercial organisation without a suitable compensation from the general Exchequer.



### **Reply of the Government**

The Ministry agrees with the recommendations of the Standing Committee and is taking up the matter with the Planning Commission to get as much bugetary support to the Railways as possible.

[Ministry of Railways OM No. 98/BC-II/SCR/XII/6, dated 22-1-98]

#### **Recommendation (Para No. 203)**

The Committee note that it is a universally accepted fact that the Railways should be compensated for the public service obligations, especially in the field of passenger and suburban traffic by the National Governments. The subsidies granted from the Government exchequer to the Railways in some of the developed countries of the World for various public service obligations were: 23.1% in the year 1993-94 to the British Rail; 40.1% in 1994 to the Swiss Federal Railways; 68.5% in 1993 to the German Federal Railways and 47.7% in 1994 to the French National Railways. The Committee are, therefore, of the firm view that the Indian Railways should be compensated for the public service obligations to the maximum extent.

### **Reply of the Government**

Indian Railways have been seeking compensation from the Central Government for the social service obligation borne by them but have not succeeded so far. Recently, an Inter-Ministerial Working Group comprising officers from Planning Commission, Ministry of Finance and Ministry of Railways, set up at the behest of the Ministry of Finance, examines the subject in detail and recommended that Indian Railways be compensated for the social service obligation borne by them.

Copies of the report of the Working Group were forwarded to Ministry of Finance and Planning Commission and their views in this context are reproduced below:

#### **Views of Ministry of Finance**

"The report of the Working Group has been examined in this Ministry and it has been found that it will not be possible to subsidies Railways and further on the various points raised by the Inter-Ministerial Working Group. On the other hand, Railways should raise the rate of dividend to General Revenue to a figure that is close to the average market borrowing rate of the Central Government."

### **Views of Planning Commission**

In reply to Para 112 of the Ninth Report of the Standing Committee on Railways (1997-98) regarding compensation to IR for the social service obligation borne by them, the Planning Commission offered the following remarks :

"Both fare and freight rates need to be fixed keeping in view the cost of operation. This will not only reduce the financial burden on railways but would lead to greater allocative efficiency. If certain essential goods have to be carried out below cost or the passenger fares are to be subsidised, then the railways may be compensated directly. The financial losses of new lines or on account of metropolitan transport project should be met by all stakeholders including State Governments."

With Planning Commission and Ministry of Finance holding such divergent views, the issue of compensating Railways for undertaking social obligations remains unresolved.

[Ministry of Railways OM No. 98/BC-II/SCR/XII/6, dated 22-1-99]

### **Revised/Updated Reply of the Government**

Indian Railways have been seeking compensation from the Central Government for the social service obligation borne by them but have not succeeded so far. Recently, an Inter-Ministerial Working Group comprising officers from Planning Commission, Ministry of Finance and Ministry of Railways, set up at the behest of the Ministry of Finance, examined the subject in the detail and recommended that the Indian Railways be compensated for the social service obligation borne by them.

2. Copies of the report of the Working Group were forwarded to Ministry of Finance and Planning Commission and their views in this context are reproduced below :

### **Views of the Ministry of Finance**

"The report of the Working Group has been examined in this Ministry and it has been found that it will not be possible to subsidise Railways any further on the various points raised by the Inter-Ministerial Working Group. On the other hand, Railways should raise the rate of dividend to General Revenue to a figure that is close to the average market borrowing rate of the Central Government."

### Views of the Planning Commission

In reply to Para 112 of the Ninth Report of the Standing Committee on Railways (1997-98) regarding compensation to IR for the social service obligation borne by them, the Planning Commission offered the following remarks :

"Both fare and freight rates need to be fixed keeping in view the cost of operation. This will not only reduce the financial burden on Railways but would lead to greater allocative efficiency. If certain essential goods have to be carried out below cost or the passenger fares are to be subsidised, then the Railways may be compensated directly. The financial losses of new lines or on account of metropolitan transport project should be met by all stakeholders including State Governments."

3. Cabinet Note for seeking re-imbursement of the Social Service Obligations borne by Indian Railways has already been submitted to the CCEA on 11.1.2000 by the Ministry of Railways. It was considered by the CCEA at its meeting held on 1.2.2000 but they decided to resume discussions on the subject at a later date. Meanwhile, on 17.4.2000 this Ministry was directed to review the Note in the light of Budget proposals for the year 2000-01. A Supplementary Note was submitted for further consideration by the CCEA. It has, however, been referred back for seeking views of Ministry of Finance. After incorporating the views of Ministry of Finance, the Note has been submitted to CCEA.

[Ministry of Railways OM No. 2000/BC-II/XIII/200/7 dated 26-9-2000]

### Recommendation (Para No. 204)

The Committee are of the firm opinion that Railways at present are not in a position to augment their revenues for allocating the required funds even for on going projects. In these circumstances higher budgetary support to the Railways is inevitable at least for those project which are socially desirable but not economically viable. Railways get nothing in real sense as they have to pay a dividend almost equal to the level of budgetary support to the Central Government on the Capital they have received since their inception from the General Exchequer. The Committee, taking a holistic view recommend that the budgetary support for the projects which are socially desirable must be made available by the Central Government by declaring these projects as National Projects. There should be full support from the Government and the Railways for taking up and completing the projects which come under the socially desirable category. Laying emphasis on better operational & commercial management, the Committee recommend the adoption of aggressive revenue generation strategy on the one hand and rigorous cost control on the other by the Indian Railways for giving a fillip to the growth of revenue and improvement in the operating ratio.



### **Reply of the Government**

The Ministry agrees with the view taken by the Committee that there should be full support from Exchequer for the Railways taking up and completing the projects which come under socially desirable category. The above issue has also been raised by the Railways in the "Status Paper" tabled in the Parliament by the Hon'ble Minister of Railways recently. Railways are trying their best to reduce cost and increase revenue by constant monitoring of commodity-wise loading and exercising utmost control on expenditure under all the Plan Heads through periodic review meetings with the Zonal Railways at various levels.

[Ministry of Railways OM No. 98/BC-II/SCR/XII/6 dated 21.12.98]

### **Revised/Updated Reply of the Government**

The Ministry agrees with the view taken by the Committee that there should be full support from Exchequer for the Railways taking up and completing the projects, which come under socially desirable category. The above issue has also been raised by the Railways in the "Status Paper" tabled in the Parliament by the Hon'ble Minister of Railways in July 1998. Railways are trying their best to reduce cost and increase revenue by increasing Railways' market share, tapping non-conventional source of revenue and exercising utmost control on expenditure under all the Plan-Heads through periodic review meetings with the Zonal Railways at various levels. However, Railway finances have been put under severe strain as a result of the implementation of the Fifth Pay Commission's recommendations which have imposed a severe continuing annual burden on the Railways.

[Ministry of Railways OM No. 2000/BC-II/XII/200/7 dated 26.9.2000]

### **Recommendation (Para No. 207 — GRP'S Accountability)**

The security of passengers and their belongings in the running trains is the constitutional obligation of the State Governments. The safety is to be ensured by the Government Railway Police. The Committee have been informed that the Railway administration is not able to maintain any record of theft/robbery/dacoity because the progress of the cases are not intimated to the Railways by the GRP. Unless and until the GRP personnel are made accountable to the Railway administration, there cannot be any control over them. Since the GRP personnel are on deputation to the Railway Ministry who share 50% of their financial expenditure, the Committee desire that some mechanism should be evolved by the Ministry of Railways in consultation with State Government, Home Ministry, etc. so that GRP personnel may be accountable to the Railways to some extent.





Safety and Security of the passengers should get top priority. The Committee feel that due to lack of proper security arrangements, a number of train decoities including the illegal activities inside the trains are increasing. The Committee are of the considered view that there must be a comprehensive plan of action to combat the unlawful activities in the train for the security of the common passengers specially for women and children.

#### **Reply of the Government**

It is incorrect to say that GRP personnel are on deputation to the Railway Ministry. The GRP personnel are employees of the State Governments concerned and hence they are accountable only to the respective State Governments and not to the Ministry of Railways. There is no employer employee relation between the Ministry of Railways and the GRP personnel nor is there any contractual obligation. The GRP personnel cannot be made accountable to the Ministry of Railways unless appropriate changes are brought in the Statute Books and the consent of the State Governments are taken.

Following is the comprehensive plan of action to combat the unlawful activities in the train:

1. A Conference of the Heads of the GRP Organisations is proposed at the level of the Railway Board on 21.8.98 to discuss various problems affecting the Railways and the travelling public from law and order point of view.
2. Instructions have been issued to the General Managers of the Zonal Railways to have regular coordination meetings with the GRP authorities at the Zonal and Divisional levels to discuss ways and means to control crime on Railways.
3. The RPF has been made responsible to prevent unlawful activities under the provisions of the Railway Act.
4. GRP escorts are provided on mail and express trains to control crime on the running trains.
5. Mobile GRP police stations are functioning in selected mail and express trains.
6. Instant Action Groups are functioning in selected superfast trains basically to prevent entry of unauthorised persons into the trains.

[Ministry of Railways OM No. 98/BC-II/SCR/XII/6, dated 21.12.98]

**Recommendation (Para No. 208)**

During the VIII Plan, the financial as well as physical targets of wagon procurement/production were fixed at Rs. 10,630 crores and 1,20,000 wagons respectively. Against these targets only 96,491 wagons were procured/produced with the enhanced financial outlays of Rs. 12,858 crore. The Committee note that the Railways would require 1,75,000 wagons during the IX Plan i.e. 35,000 wagons per year. However as stated by the Member (Mechanical), the Railways procured/acquired 28000 wagons against the target of 26,000 wagons last year and during the current financial year the Railways expect the acquisition of 26,000 — 28,000 wagons.

**Reply of the Government**

Requirement of wagons depend on traffic needs and availability of funds. Initially VIII Plan was finalised with target of acquisition of 1,20,000 wagons in terms of four wheeler units. As the traffic offerings was less than the projected level during 1994-95, a review was carried out by Railways and acquisition target was revised to 99,509 FWUs. As against this target, 98153 FWUs were procured (96,488 FWUs+1665 FWUs procured under OYWS in 94-95 & 95-96) as follows:—

Year	Railways RSP requirements	Under Own Your Wagon Scheme through Railways		Against direct orders under Own Your Wagon Scheme	Total
92-93	26129	-	-	-	26129
93-94	19649	-	-	-	19649
94-95	10575	275*		405*	10575
					+ 680 *
					= 11255
95-96	16310	1640		985#	17950
					+ 985 #
					= 18935
96-97	16192.5	1972.5		4020	22185
Total	88855.5	3887.5		5410	96488
					+1665
					= 98153

\* Production under OYWS in 94-95.

# Production against direct orders under OYWS in 95-96.

Financial Plan target was finalised based on prevailing cost figures of that time. Cost of acquisition has however increased from the Plan target on account of increase in the cost of inputs and labour during the intervening period.

Originally wagon procurement of 1,75,000 FWUs was projected in the IXth Plan which will give a target of 35,000 FWUs per year. IXth Plan size, as projected was Rs. 65000 crores. However, the size of IXth Plan is still under finalisation with Planning Commission and Ministry of Finance. The indication given to the Ministry of Railways is that the IXth Plan size may have to be restricted to 47,484 crores.

In 97-98 the first year of IXth Plan, 27865 wagons in terms of four wheeler units have been acquired. For 98-99 target of 26,000 FWUs has been fixed based on availability of resources and traffic needs.

[Ministry of Railways OM No. 98/BC-II/SCR/XII/6 dated 21.12.98]

#### **Recommendation (Para No. 209)**

The Ministry of Railways informed the Committee that Wagons are manufactured by the Railways themselves in a limited way to the extent of about 5-10% of the total requirement per year. They informed that basically Wagons are manufactured by PSUs and Private Firms and the Railways place orders on them through Wagon India Limited. The Committee are seriously constrained to observe that the Railways possess a great potential of producing Wagons with the available technology and infrastructure with them at the Golden Rock Workshop at Trichy and the Workshop at Jamalpur. However the Chairman, Railway Board informed the Committee during evidence that Railway do not want to create additional production capacity of wagons with them as the country has already a capacity to produce 29,000 wagons a year against their requirement of 26,000 wagons or so. Railways have proposed to create maintenance capacity of 450 wagons at Jamalpur at a cost of Rs. 15 crores. This capacity would be further increased to maintenance of 1000 wagons. The Committee do not agree with the views expressed by the Chairman, Railway Board and strongly recommend that Railways should utilise the existing infrastructure available at Trichy & Jamalpur Workshops for production of wagons.

#### **Reply of the Government**

Trichy Workshop (Golden Rock Workshop) have been manufacturing 800 wagons in terms of four wheeler units and its capacity is being utilised. Remaining capacity and infrastructure of Trichy workshop is being utilised for maintenance work of Rolling Stock. Similarly, existing capacity and infrastructure of Jamalpur workshop is being fully utilised for maintenance work of increasing Rolling Stock holding of Indian Railways. Adequate wagon building capacity of manufacturing

about 35000 to 40000 four wheeler units, is available in the country. Added in the existing funds constraints as advised by the Planning Commission who have suggested a much smaller IXth Plan size than what was proposed by the Ministry of Railways. Keeping the two factors in mind. It is considered prudent to utilise the infrastructure of workshops for maintenance of Rolling Stock instead of increasing Railway's production capacity for manufacturing of Wagons by additional capital investments and which would result in idling of capacity with wagon manufacturers.

[Ministry of Railways OM No. 98/BC-II/SCR/XII/6 dated 21.12.98]

#### **Recommendation (Para No. 210)**

To facilitate the passenger traffic, catering services play a paramount role. These catering services on trains and stations are presently being managed partly by the Railways and partly by private contractors. The Committee were informed by the Ministry that in order to improve the quality and augment these catering services a Corporate entity 'Indian Railways Catering and Tourism Corporation' would be formed shortly and in this direction the proposal was initiated twice during 1996 and 1997 for the approval of the Cabinet. However, due to change of Government, the approval of the Cabinet could not be obtained. The Ministry have now informed the Committee that it has been decided to reframe the proposal and seek the approval of the Government. The Committee desire that an early decision may be taken in the matter under intimation to them.

#### **Reply of the Government**

Ministry of Railways have reframed the proposal for setting up of Indian Railways Catering and Tourism Corporation and is being submitted to various Ministries for their comments before being put up for approval of the Cabinet.

[Ministry of Railways OM No. 98/BC-II/SCR/XII/6 dated 21.12.98]

#### **Updated Reply of the Government**

Consequent on the approval of the Cabinet obtained in March 1999 the Indian Railway Catering and Tourism Corporation Ltd. has been incorporated under the Companies Act, 1956, on 27th September 1999. Process of appointment of Board of Directors is currently under progress. The Indian Railway Catering and Tourism Corporation Ltd. will start its operation after the MOU is signed between the IRCTC and the Ministry of Railways.

[Ministry of Railways OM No. 2000/BC-II/200/7 dated 29.9.2000]



**Recommendation (Para No. 212)**

Signalling and Telecom works play a paramount role in the safety of passengers as well as railway properties and goods. During the year 1998-99. Rs. 361 crore have been sanctioned against the allocation of Rs. 230 crore in 1997-98. The Committee note that there have been 381 train accidents (including one train accident on Metro Railway Calcutta and 3 on Konkan Railway) during 1996-97. The Committee have been informed that Rs. 7,500 crores would be required to provide important signalling and Telecom safety works including level crossing, replacement of worn-out signalling and telecom gears, etc. on B.G. routes. During evidence the representative of the Ministry of Railways admitted that the Indian Railways are not having a level play field with countries like Japan, Germany, etc. in respect of Railway Signalling and Telecommunication System and the main constraint is non-availability of state-of-the art technology indigenously. The Committee recommend that the Planning Commission and the Ministry of Finance should ensure sufficient funds for signalling and telecom requirements of the Railways as safety of passengers is of utmost importance and cannot be compromised at any cost. Keeping in view of the importance of signalling & telecommunication in the Railways, the Committee again reiterate that a post of Member (Signalling & Telecommunication) should be created without any further delay.

**Reply of the Government**

Projects for safety related signalling works are given utmost priority. However resource constraints make it imperative that these works are undertaken in a phased manner. Despite dwindling budgetary support, the allocation for signalling and telecom works has been increased and during the year 1998-99 Rs. 361 crores have been sanctioned against the allocation of Rs. 230 crores in 1997-98.

As regards the issue of creation of post of Member (Signalling and Telecom), the proposal was considered by the Board. Board took note of the fact that all developments in the field of signalling and telecommunications and electrical engineering are essentially electronic based. The Departments of Signalling and Telecommunications as well as Electrical Engineering are being looked after by Member (Electrical), who is duly assisted by Addl. Member (Signally) and Addl. Member (Telecom) for the signalling and telecommunication side and Addl. Member (Elect.) for the Electrical Engineering Department.

The Addl. Members are officers of Addl. Secretary rank and the Pay Commission has recommended higher grade for them equivalent to Special Secretary [Rs. 7600-8000/- (per-revised)] which has been accepted by Railway Ministry. For career development of the Signalling and Telecom officers, there is a proposal under consideration to upgrade one of the posts of Addl. Members to that



of Director-General in grade Rs. 8000 [fixed (per-revised)]. In view of these facts, there is no need to create a separate post of Member (S&T) in the Railways.

[Ministry of Railways OM No. 98/BC-II/SCR/XII/6 dated 21.12.98]

**Recommendation (Para No. 213)**

For safety of women passengers, the Committee are of the firm view that lady constables should be deputed in all the 'ladies only' compartments in the trains.

**Reply of the Government**

This is in practice. Lady constables are deputed to escort 'ladies only' compartments depending upon the availability of lady constables.

[Ministry of Railways OM No. 98/BC-II/SCR/XII/6 dated 21.12.98]

**Recommendation (Para No. 219)**

The Committee feel that the task of lifting additional freight traffic for meeting the requirements of different user sectors is quite challenging and required both short-term and long-term strategies directed towards increased productivity of assets. The Committee desire that immediate action should be taken for (a) maximisation of investment in wagons and locomotives, (b) investments in line capacity works on identified and saturated roots, (c) improvement in terminal operation, (d) deployment of two or more locomotives to improve trailing load ratio for better speed of goods trains or production of locomotives with more haulage capacity, (e) adoption of engine on-load system at loading and unloading terminals to eliminate waiting period for the locomotives, and (f) encouraging private participation in acquiring wagons under 'Your Wagon Scheme'. The Committee also desire that the Railways should play a more vital role in getting user's co-operation at terminals so that wagons detention period could be reduced. The Committee further recommend that the Railways should set up nodal goods sheds for bulking/containerisation of 'small' traffic and develop inland container depots and container stations, Railways should also provide fast and guaranteed container services to and from major Ports to meet the growing needs of export and import traffic.

**Reply of the Government**

Adequate investments are being made in the plan head "Rolling stock" for procurement of sufficient number of wagons and locomotives for lifting the projected traffic. Similarly Saturated routes on Indian Railways have been identified and investments are being made to augment the line capacity. To this end, out lays for doubling works and traffic facility works have been increased

proportionately. Improvements in terminal operations is a constant endeavour of the Railways. Double heading of locomotive is being done wherever necessary. Engine-on-load system is in existence and it is being planned at more and more places. All efforts are underway to encourage private parties to acquire wagons under "Own Your Wagons Scheme".

The Railways are making all efforts to reduce detention of wagons. Container Corporation of India is being developed further to attract more and more smalls traffic which can be bulked into container loads. Efforts in providing fast and guarantee containers services are being made.

[Ministry of Railways OM No. 98/BC-II/SCR/XII/6 dated 21.12.98]

#### **Recommendation (Para No. 220)**

The Committee feel that use of long distance passengers services by the suburban commuters is a source of considerable irritation and inconvenience to the long distance passengers having reserved accommodation. At the same time the Railways cannot ignore their responsibility of meeting the suburban transport needs of the large cities. The Committee, therefore, desire that dedicated suburban corridors should be created in the major metro cities. Simultaneously upgradation of the dispersal systems should be taken up in close co-operation with the State Governments/Local Authorities so as to reduce concentration or congestion on the roads in front of the Railway Stations.

#### **Reply of the Government**

Segregation of long and short distance passenger travelling on Indian Railways through planning of different pattern of services catering to each segment has been the motto of Indian Railways since long. Stopping of long distance Mail/Express trains and fast passenger trains at short distances in close proximity to the big cities not only aggravates over-crowding by the short distance commuters but also causes inconvenience to the long distance through passengers.

It has been endeavour of the Railways to achieve the aforesaid aim by planning for short distance Shuttle/Passenger services to and from the big cities in the peak hours. As Railways are facing a severe resource crunch, it is not possible to introduce more trains for suburban services due to non availability of rolling stock and other operational constraints.

As per the amendments in the Allocation of Business Rule 1961 now, Ministry of Urban Affairs and Employment is the nodal organisation for development of Urban Transport Projects including rail based ones in the various cities. However, railways can take up upgradation of existing railway network to

provide additional trains for suburban passengers if State Government share 50% cost of such projects.

Time to time efforts are made in consultation of State Governments/local authorities for improving the dispersal system in front of the railway stations in various cities.

[Ministry of Railways OM No. 98/BC-II/SCR/XII/6, dated 21.12.98]

#### **Recommendation (Para No. 221)**

The Committee recommend that extension of Metro Rail from Tollygange to Garia and Circular Rail Projects at Calcutta and other congested cities should be initiated within a time bound programme for which sufficient funds should also be made available immediately.

Maintenance of Metro Railway also needs to be improved. The Committee also recommend that Railway should take a survey for providing Metro/Fast Suburban/Rail Bus Services in other congested cities like Patna, Bhubaneshwar, Bangalore, Cochin, etc.

#### **Reply of the Government**

The full length of Calcutta Metro Railway from Dum Dum-Tollygange has been commissioned for passenger traffic. Under Allocation of Business Rules, as revised in the year 1986, planning and co-ordination of urban transport projects, including the rail based ones, is the responsibility of the Ministry of Urban Affairs & Employment. However, the Railways can take up the extension of the projects under MTP Plan Head as is being done in Chennai and New Mumbai, if the State Government share 67% cost of the project and agree to give Government land free of cost.

Techno-economic study for Calcutta circular Railway from Dum Dum to Majerhat for its doubling and electrification is being undertaken by Metro Railway. Further consideration of the project would be possible once the survey report becomes available. For the other Metropolitan cities also, survey for such systems are taken up from time to time to find out the techno-economic feasibility of providing such system and based upon the study further action is taken.

Maintenance of Metro Railway is generally satisfactory except the rakes of Metro Railway which is suffering due to non-availability of imported spares for the existing-rakes. Several measures are being made for improvement of maintenance of Metro Railway rakes. This includes :

- a) Pursuing with original equipment manufacturer to supply the spares;
- b) Retrofitment of Metro rakes with new technology; and



c) Develop indigenous supplier for imported items required for Metro coaches, however, due to small quantities of spares the response is poor.

With these measures, it is expected the maintenance of Metro Railway will come to a high standard shortly.

For introduction of Metro/Fast suburban/Rail Bus services in the other congested cities like Patna, Bhubaneshwar and Bangalore etc., it is stated that as per the amendments in the Allocation of Business Rule, 1961 now, Ministry of Urban Affairs and Employment is the nodal organisation for development of Urban Transport Projects including rail based ones in the various cities. This change was done in recognition of the fact that the Urban Transport is a part of Urban Planning and Land use, which is the responsibility of the State Government and local agencies. Further, the development of suburban transport requires acquisition of land, and development within the over all Master Plan of the city which can best be done by the Ministry of Urban Affairs.

[Ministry of Railways OM No. 98/BC-II/SCR/XII/6, dated 21.12.98]

#### **Recommendation (Para No. 223)**

The Committee note that the Railways possess some of the untapped real estate in the country. Proposals for development of real estate sent to the Government in the past have not been approved so far. The Committee are of the opinion that necessary powers should be delegated to the Railways in this regard so that they may develop their land selectively in consultation with the State Governments/Local Municipal Authorities. It would be a positive step in resource mobilization for the Railways.

#### **Reply of the Government**

Indian Railways need large amount of funds for going ahead with their development and expansion programmes. The budgetary support from Planning Commission has been steadily going down over the last few years. On the contrary, the expectations of public as well as society and the country at large from the Railways have increased. It is, therefore, necessary for the Indian Railways to exploit their hitherto untapped resource of real estate *i.e.* land. However, since the Railways would in any case be needing land in future for further development and expansion, if is the air-space which can be commercially exploited to advantage. In 1986, a piece of land at Bandra, Mumbai was proposed for development. This proposal envisaged construction of a multi-storeyed complex where the ground floor was to be utilised by the Railways for its own purposes while the upper floors

were proposed to be leased out for the purposes of generating revenue. Though the scheme has been supported by the concerned Ministries, a decision on the proposal was deferred by the Cabinet as it was felt that general guidelines for the commercial utilisation of Central Government lands were first required to be prepared and finalised by the Nodal Ministry *i.e.* Ministry of Urban Affairs and Employment. It is understood that the MoU&AE are presently in the process of finalising the guidelines for re-submission to Cabinet.

The suggestion of the Committee, though a welcome idea, will be referred to MoU&AE who are the Nodal Ministry and are entrusted with the work of finalisation of guidelines for commercial use of Central Government land.

[Ministry of Railways ●M No. 98/BC-II/SCR/XII/6, dated 22.1.99]

### **Final Reply of the Government**

1.0 In view of the approval for taking up commercial utilisation of land and air space has recently been accorded by the Cabinet and the National Development Council, while approving the IX Five Year Plan Document, prepared by the Planning Commission which envisages raising of non-tariff resources by the Railways through the commercial utilisation of its land and air-space, the Railways have decided to go ahead with commercial utilisation of its land and air-space.

1.1 Following major initiatives have been taken in this direction.

#### **2.0 Use of Air-space over Station Buildings and plots of land**

2.1 The Railways have selected certain stations across the country where the station buildings are old and in need of considerable expansion and improvement in respect of passenger utilities/amenities. These stations are now being re-built as multistoreyed complexes and it is proposed to utilise the air space above the newly built station buildings for commercial purposes. The stations which have so far been identified for such development include Andheri, Borivilli, Kalyan, Thane, Secunderabad, Hyderabad, Sealdah and Chennai Central. Plans for these works are being prepared. In the case of the new Station Building at Borivilli plans have also been approved by Local authority. In addition, it is proposed to take up similar works for Dadar, Howrah, Siliguri, Bhubaneshwar, Bilaspur, Raipur and Ranchi station buildings in the future.

2.2 A few vacant plots of land having substantial potential from commercial point of view have been identified. Schemes are underway for commercial use of the air space over these plots.



### **2.2.1 Methodology for Execution**

M/s IRCON International and M/s RITES, the two PSUs under the Ministry of Railways have been identified for taking up this work in the initial phase. Activities on each of the sites identified by the Railways for development in the first phase shall be taken up by these organisations who would require expert advice and all other assistance necessary in the relevant fields for successful execution of the works.

### **2.3 Commercial afforestation**

As a matter of policy, Railway land in mid-section was till now entrusted to the State Forest Departments for undertaking afforestation. Railway land has been handed over to them at several locations for this purpose. However, while this has helped in growing a green cover, Railways have been facing problems while dealing with the State Forest Departments, like the non-execution of agreements and the denial of legitimate access for undertaking routine safety works connected with railway working. Moreover, no income is made available to the Railways from any such plantation.

In view of the need for raising financial resources, Ministry of Railways has, therefore, decided to undertake afforestation by involving Private Parties for the purpose. These guidelines are under finalisation. In the meanwhile, Zonal Railways have identified compact parcels of land, which could be taken up for afforestation by Private Parties.

### **2.4 Grow More Food**

Railways are considering licensing certain identified land, presently lying vacant, for growing crops, vegetables, flowers etc. Licence fee at an appropriate level shall be charged so as to ensure that Railways get an adequate return on this licensing which would also achieve the basic objective of protecting valuable land in urban area as also generating income from cultivation.

### **2.5 Laying of Optic Fibre Cables–Right of way**

To cater to Railways requirements of communication infrastructure as also to mobilise resources, Indian Railways have decided to offer Railways "Right of Way" to private entrepreneurs to lay optic fibre cables along the Railway track. This will not only help in making available to the Railways a modern telecommunication system but also strengthen the national telecommunication infrastructure. As a first step, "Right of Way" have been granted to IRCON and RITES–Railways' PSUs, in Delhi-Mumbai and Mumbai-Chennai sectors respectively.

## 2.6 Construction of Budget Hotels on Railway Land

With a view to effectively utilise surplus railway land, it is proposed to develop Budget Hotels at 100 different locations on Indian Railways. Development of Budget Hotels is planned to be done by leasing to the private sector on Build, Own, Operate and Transfer basis. It is expected that this scheme will attract private investment up to Rs. 1000 crores and add upto 10,000 rooms in the mid market hotel sector of the country. Indian Railways will benefit by receipt of licence fees, provision of amenities to rail passengers including accommodation, parking, reservation, etc. which is proposed to be provided in the complex.

## 2.7 Shopping on Railway land

To cater to the needs of passengers arriving at and departing from our stations, there is a very significant possibility of generating large resources by leasing Railway land in and on the approach to the circulating area of our stations for the construction of shops. These shall be constructed/located in such a manner that this does not cause obstruction to the free flow of passengers/vehicles.

[Ministry of Railways OM No. 98/BC-II/SCR/XII/6, dated 15.12.99]

### Recommendation (Para No. 226)

In order to provide the facility of instant reservation to rail customers who plan their journeys at short notice, an innovative 'Tatkal' scheme, which enables a passenger with a Photo Identity Card to get confirmed booking within 24 hours before the departure of the train on payment of a surcharge, was launched last year. The Railways have proposed to extend this scheme to 24 more trains *w.e.f.* 1st July, 1998. Besides, it has also been proposed to extend this scheme to all super fast express trains during 1998-99. The Committee recommend that 'Tatkal' Scheme should be introduced in all the trains at all the originating stations. They are also of the opinion that if need be, second additional coach under 'Tatkal' Scheme may be added in the trains.

### Reply of the Government

The recommendation of the Committee has been noted. It may, however, be stated that the tatkal scheme for reservation is being extended to more and more trains. At present, the scheme has been introduced in 72 trains. In some trains more than one coach has been earmarked for the scheme.

The introduction of the scheme in any train mainly depends upon the demand. As such, it may, not be desirable to introduce this scheme in all the trains. Moreover, paucity of stock may not permit introduction of this scheme in all the trains.

[Ministry of Railways OM No. 98/BC-II/SCR/XII/6, dated 21.12.98]

#### **Recommendation (Para No. 227)**

The Committee express their strong apprehensions about the success of this 'Tatkal System' and fear if the operation of this scheme is not monitored effectively, the scheme may become more profitable to the touts rather than to the needy public. The Committee also desire that reservations should also be provided on priority to the needy people such as students going for interviews, persons going for medical treatment or otherwise in emergency such as death, etc. in other trains on the same lines on which it is available to handicapped persons.

#### **Reply of the Government**

The reservation under Tatkal Scheme is given to the passengers only on submission of his/her proof of identity whose mention is also made in the ticket as well as in the reservation chart. The aspect is also verified in the train by the ticket checking staff. As such, there is very less possibility of misusing the scheme by the touts. However, Railways have been advised to monitor the scheme and ensure that touts & other anti-social elements do not indulge in any kind of malpractice.

Tatkal Scheme has been launched to provide the facility of reservation to those customers who have to plan their journeys at short notice. The reservation under this scheme commences at 8 A.M. on the day previous to the day of the journey. As such, it is not considered necessary to hold back some berths/seats till last minute for meeting the demand of needy people such as students going for interviews, persons going for medical treatment or otherwise in emergency such as death etc.

[Ministry of Railways OM No. 98/BC-II/SCR/XII/6, dated 21.12.98]

#### **Recommendation (Para No. 231)**

The Committee find that there is no proper record/accounting procedure as regards the sale proceeds of scrap material. Earlier Standing Committees on Railway had in their Reports on Demands for Grants in 1994-95 and 1995-96 recommended to create a sub-head in the Railway account books for suitable reflection of the money realised on account of scrap disposal. The Committee take



a very serious view of the casual attitude of the Ministry of Railways in implementing the above recommendation after accepting the same. The Committee therefore reiterate that a proper accounting of the sale proceeds of scrap should be done in a systematic manner and shown in the Budget Documents.

#### **Reply of the Government**

The position regarding a similar recommendation made earlier has already been explained by the Ministry of Railways through Action Taken Note by Ministry of Railways on 20th Report of Standing Committee on Railways on Demands for Grants 1995-96 (Copy of the ATN is attached as Annexure 'A'). However, the position is again explained as under:—

- (i) The Committee have commented that there is no proper record/ accounting procedure as regards the sale proceeds of scrap material. It is submitted that the method of recording and accountal of released scrap is already codified and well established on the Indian Railways, as brought out in detail in the ATN (Annexure-A).
- (ii) The Committee has taken a very serious view that the Railways after accepting its recommendations (for creation of a new sub-head) has not accepted the same. However, it is submitted that the aforesaid recommendation was not accepted by the Railways, and the position was clearly explained in the Final Action Taken Report to the Hon'ble Committee in March' 1998 (Annexure A).
- (iii) The accountal of such scrap is done on net basis and is in consonance with the practice followed in the General Budget of the Govt. of India. As desired by the Committee the matter was also referred to the Comptroller and Auditor General of India, Controller General of Accounts and Budget Division of Ministry of Finance. All the three authorities have confirmed that no change is needed in the existing procedure being followed by the Ministry of Railways.
- (iv) As regards reflection of the sale proceeds of scrap in the budget document, it is submitted that this forms a part of "credits for released material" indicated under Demand No. 16 and with some portion getting reflected under 'credits' in the revenue demands. These appear in the various Budget documents such as Explanatory Memorandum, Demands for Grants – Part I, Works, Machinery and Rolling Stock Programme (Part II) etc. However, it has been decided that the figures of actual realisation from sale of scrap would henceforth be shown in the Performance Budget document.

[Ministry of Railways OM No. 98/BC-II/SCR/XII/6, dated 12.2.99]

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ANNEUXRE-A

ACTION TAKEN NOTES BY THE MINISTRY OF RAILWAYS ON TWENTIETH REPORT OF THE STANDING COMMITTEE ON RAILWAYS ON ACTION TAKEN BY GOVERNMENT ON THE RECOMMENDATIONS/OBSERVATIONS CONTAINED IN THE XIV REPORT OF THE COMMITTEE ON MINISTRY OF RAILWAYS DEMANDS FOR GRANTS 1995-96.

**Para No. 2.91 of the 14th Report of Standing Committee on Railways**

The Committee in their earlier report on the Ministry of Railways Demands for Grants 1994-95 had specifically recommended that a sub-head in the Railways Accounts Books should be created for suitable reflection of the money realised on account of sale proceeds of the old released material. But no action was taken by the Ministry of Railways to examine this recommendation of the Committee. The Committee do not agree with the reasons given by the Railway Board that – "If the proceeds from a sale of capital assets are also taken as an another source of receipts they may dilute this accountability as in the year when the earnings from Goods, Passengers etc. are below the expected levels, the railways may be tempted to sell their assets and augment their receipt and make up for the loss in earnings therefrom". The Committee are unable to understand as how the scrap can be equated with capital assets. The Committee feel that there should be a systematic approach to scrap disposal under the railways planning for inventory managements and control. In order to get maximum price for the scrap, the present system of scrap disposal should be reviewed by the Railway Board and guidelines evolved for quick disposal of scrap at different levels of the system. The Committee recommend that the money realised on account of sale proceeds of scrap by different zonal railways should be pooled. The money so pooled can be utilised for funding projects like New Lines, Electrifications etc. on which there has been tardy performance mainly due to inadequate budgetary support. The Committee reiterate their earlier recommendation that a separate sub-head should be created in the Railway's books for suitable reflection of the money realised from the scrap disposal. If necessary, suitable guidance may be obtained from the Expert Agencies like C&AG, Planning Commission etc. in the matter.

**Reply of the Government**

The position regarding this recommendation has already been explained by the Ministry of Railways through Action taken note by Ministry of Railways on 20th Report of Standing Committee on Railways on Demands for grants 1995-96.



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The final position is as under :

- (i) The Standing Committee had been advised that main revenues are those that are generated out of transportation of goods, passengers and parcels and it is not desirable to recognise earnings from the sale of scrap as a regular source of revenue. Also under the existing scheme there is provision for indicating the gross expenditure plan head-wise and for exhibiting the credits under the respective sub-heads. Accordingly the gross and net figures get exhibited together with the credits.
  - (ii) Sale of scrap over railways is mainly done through public auctions/tender sales. Experience has shown this to be the most efficient system. The policy and procedures are being streamlined/modified whenever necessary and the realisation from the sale of scrap is being closely monitored by the Zonal Railways/Railway Board.
  - (iii) Pooling of the proceeds from disposal of scrap is being done in the existing system in an indirect manner. In case of revenue scrap, the credits on this account result in an overall reduction of the revenue expenditure which in turn gets reflected in the ultimate surplus in financial results. In so far as credits on account of disposal of scrap on the plan side is concerned, this again gets reflected in the process of accountal on net basis. Given a net plan outlay approved by the Planning Commission, higher level of credits makes for higher gross expenditure for which the vote of Parliament is taken.
  - (iv) Projects under the plan heads new lines and electrifications are being charged to capital and quicker progress of such works will depend essentially upon increased budget support being made available to Railways. Works under other plan heads which can be financed from Capital Fund/Development Fund which are internally generated from the operations of the Railways will depend upon the surpluses.
  - (v) The present practice of accountal of scrap on the railways is in consonance with the practice being followed while formulating the General Budget of Government of India. As a sequel to the recommendations made by the Committee, references have been made to C&AG of India and the Controller General of Accounts, Ministry of Finance. Also as suggested by CGA, the details of accounting practice followed by Ministry of Railways were also sent to Budget Division, Ministry of Finance for their comments. The response from all the three authorities have since been received and all have agreed that no change is needed in the existing procedure being followed by the Ministry of Railways in respect of accountal of scrap/released old material.
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**Recommendation (Para No. 233)**

The Committee take note of the fact that it has become a matter of routine for commuters to travel on roofs of the local trains, particularly in areas adjoining the big/Metropolitan cities causing a number of accidents/deaths. People undertake their journeys on roofs of the trains under compulsion due to lack of space in the trains or because of lack of adequate number of trains, especially in the mornings and evenings. The Committee, therefore, strongly recommend that conscientious efforts should be made to check the roof travelling by increasing the frequency, of the trains and capacity in the trains in these areas. For the daily passengers local train services must be increased particularly during the office hours. They also recommend that all trains including Rajdhani and Shatabdi Express trains should have at least one general compartment for the benefit of the ordinary passengers. To avoid the over crowding in the trains, the Committee recommend that daily trains should be introduced in place of all the 'Bi-weekly' trains. Simultaneously, vigilance checks should be conducted regularly to check on railway staff in all the trains including ordinary trains to contain the unauthorised passengers.

**Reply of the Government**

Roof-top travelling is an offence punishable under the law with imprisonment for term which may extend upto 3 months or with fine upto Rs. 500 or both including removal from the train by any railway servant on duty. Various measures are taken to prevent and discourage travelling on the roof of the train. During the year 1997-98, 34069 checks were conducted against Roof-top travelling as a result of which 480 persons were prosecuted and a sum of Rs. 40,703 was realised as fine. In addition, the capacity of the trains is also augmented to the extent possible.

Provision of additional train services including increasing the frequency of local/non-daily trains as a measure to combat over-crowding is a continuous process on Indian Railways subject to operational feasibility, resource availability and traffic justification. Railways provide atleast 2 General Second Class coaches for unreserved passengers in all Mail/Express trains. Rajdhani/Shatabdi Express trains are fully air-conditioned long-distance/superfast trains catering exclusively to the upper class traffic. It may be mentioned here that the safety provisions required for high speed trains like Rajdhani/Shatabdi are that the train should be fully air-conditioned. Provision of unreserved Second Class coaches in such trains is, therefore, not possible. Augmentation of the load of local trains is also done and 9-Car EMU rakes are being progressively increased to 12-Car rakes. Loads of conventional coach local trains is also being done on a regular basis and greater emphasis will be given to augmentation of loads of trains to meet the needs of passengers.

[Ministry of Railways OM No. 98/BC-11/SCR/XII/6, dated 21.12.98]

**Recommendation (Para No. 234)**

The Committee note with concern that the expenditure under the Head "Misc. Working Expenses" has increased from Rs. 896.34 crore in 1996-97 to Rs. 1275.94 crore in 1998-99. The Committee are not at all satisfied with the details given in the Railway Budget in regard to their expenditure under Miscellaneous Working Expenses. On critical analysis of the Budget documents, the committee find that this head contains further miscellaneous expenditure including an huge expenditure of Rs. 423.60 crore as travelling expenditure including air travel under Revenue Expenditure. The Committee desire that full details of the proposed travelling expenditure, number of air journeys, purposes, destinations and outcome thereof should be furnished to them.

**Reply of the Government****1. Introduction**

The entire expenditure on Railways is booked under sixteen 'Demands for Grants', each grant representing a distinct activity. A list of these demands indicating the activities they represent is given at 'Annexure'. It may be seen from the list that all Demands, except Nos. 2 and 12, relate to specific areas of expenditure, such as permanent way and works, locos, carriages & wagons, fuel, etc. Since there were a large number of other multifarious areas of expenditure, for sake of convenience, these have been clubbed under 'Miscellaneous Expenditure (General)'— Demand No. 2 and 'Miscellaneous Working Expenses' — Demand No.12. The areas covered under these two demands are essential to the working of the Railways and are as under:—

**1.1 Demand No.2 – Miscellaneous Expenditure (General)**

This Demand covers expenditure on surveys, RDSO, Miscellaneous establishments like Railway Recruitment Boards, Railways Sports Control Board, Centralised training facilities, Railway Advisers in foreign missions, Railway Claims Tribunals and a part of the expenditure of the Railway Board itself; cost of statutory Railway audit, payments to worked lines and subsidised companies and miscellaneous charges such as membership of international institutions, publicity, special project studies, etc. among a number of such miscellaneous items

**1.2 Demand No.12 – Miscellaneous Working Expenses**

This Demand is a part of the Ordinary Working Expenses vital to running of the Railways and essentially covers heads of expenditure like Security, Compensation Claims for goods lost or damaged, Workmens' Compensation, Catering, Cost of training of staff and other expenses. The expenditure under the different heads mentioned above are incurred on various objects (called the



primary units of expenditure) such as staff wages and allowances, materials, contractual payments, transfer of debits/credits from other units and other expenses.

The Committees observation that the expenditure under the head 'Misc. Working Expenses' has increased from Rs. 896.34 cr. in 1996-97 to Rs. 1275.94 cr. in 1998-99 refers to the expenditure booked under Demand No. 12. Details of the main items booked, as also their percentage share, in the Demand, are as under:-

Security	Expenditure on Railway Protection Force, Railway Protection Special Force and Order Police which constitutes 52% of the total expenditure in Demand No.12
Compensation Claims	Expenditure on claims organisation, compensation for lost or damage of goods and parcels, accident compensation, etc. which constitutes 16% of the total expenditure in Demand No. 12.
Catering	Expenditure on both stationary units and pantry cars, besides private catering establishments which constitutes around 6% of the total expenditure in Demand No. 12.
Cost of Training of Staff	Expenditure for the training institutions as well as pay or stipend to staff during training which constitutes around 6% of the Demand.
Other Expenses	Expenditure for civil defence, rent, rates and taxes etc. which constitutes around 9% of the Demand.

2. The expenditure under this Demand has increased from Rs. 896 cr. in 1996-97 to Rs. 1276 cr. in 1998-99 (BE). The difference works out to Rs. 380 cr. which, in terms of the activities covered under this Demand is as follows:-

	(Rs in cr.)		
	1996-97	1998-99	Difference
			(BE)
Security	381.57	655.96	274.39
Compensation Claims	166.23	202.97	36.74
Workmen's and other Compensation Claims	5.25	8.51	3.26
Catering	148.27	194.80	46.53
Cost on training of staff	41.27	70.22	28.95
Other expenses	90.06	120.95	30.89
Hospitality and Entertainment Expenses	0.15	0.26	0.11
Suspense	63.54	22.27	(-) 41.27
<b>Total</b>	<b>896.34</b>	<b>1275.94</b>	<b>379.60</b>

3. In terms of the objects of expenditure the break-up of Rs. 379.60 cr. is as under:-

	(Rs. in cr.)		
	1996-97	1998-99	Difference
		(BE)	
Staff Wages & Allowances	376.17	598.85	222.68
Cost of Materials	91.06	117.73	26.67
Contractual Payments	13.20	23.46	10.26
Transfer of Dr./Cr.	25.24	39.28	14.04
Other Expenses etc.	390.67	496.62	105.95
<b>Total</b>	<b>896.34</b>	<b>1275.94</b>	<b>379.60</b>

In the Staff wages and allowances, Salary and Dearness Allowance have increased by Rs. 161 cr. and Travelling Expenses by Rs. 25 cr., including arrears. The increase arises from the implementation of VCPC recommendations for staff.

3.1 The break up of 'Other Expenses' is tabulated as under:-

	(Rs. in cr.)		
	1996-97	1998-99	Difference
		(BE)	
*Security	92.69	187.45	94.76
Compensation Claims	137.85	157.02	19.17
Workmen's and other Compensation Claims	5.25	8.51	3.26
Catering	9.79	12.73	2.94
Cost on training of staff	5.39	7.99	2.60
Civil Defence, Rent, Rates and various Taxes	76.00	100.39	24.39
Hospitality and Entertainment Expenses	0.16	0.26	0.10
** Suspense	63.54	22.27	(-) 41.27
<b>Total</b>	<b>390.67</b>	<b>496.62</b>	<b>105.95</b>

\* The increase in security is mainly due to higher provision for Order Police from Rs. 79 cr. to Rs. 159 cr. (difference of Rs. 80 cr.), provided under the primary unit 'Other Expenses'.

\*\* Suspense is intended for temporary booking of certain classes of transactions pending adjustment to final heads of account and to record the expenditure in the Accounts of a month to which it relates irrespective of whether the same has actually been liquidated or not.



#### 4. Travelling Expenses

The Committee has noted that under this Demand (*viz.* Demand No. 12), a huge expenditure of Rs. 423.60 cr. has been provided under travelling expenditure including air travel. The amount mentioned by the Committee actually refers to the travelling expenses provided for under all the Demands (Demand Nos. 1 to 12). The provision for travelling expenses under Demand No. 12 is only Rs. 46.80 crores.

The provisions made under all the Demands from 1996-97 onwards are as under:-

	Rs. in cr.	%age increase
1996-97 (actuals)	186.00	
1997-98 (RE)	199.00	7%
1998-99 (BE)	423.60	113%

The reason for the steep increase in 1998-99 over 1997-98 is primarily on account of revision in the rates of travelling expenses with effect from 1st October, 1997. This revision has resulted in an average increase of around 82% and since 6 months arrear payments pertaining to the previous year have also had to be provided for, the increase, in fact, comes to around 123%. It may be seen from the table above that the increase provided is 113%, the intention being to absorb the remaining amount through control of travel not directly related to railway operations.

The expenditure incurred under this Primary Unit, 'travelling expenses', is inescapable as the expenditure is primarily incurred on scheduled inspections undertaken by the staff on operational, maintenance and safety considerations.

As the official journeys are not pre-determined/pre-scheduled for the entire year but are performed only as and when needed, it may not be possible to furnish the details of the proposed travelling expenditure, number of air journeys, purposes destination, etc. at this stage.

[Ministry of Railways, OM No. 98/BC-II/SCR/XII/6, dated 21.12.98]

ANNEXURE

Demand No.	Name of Demand
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 & Wagons
7.	Repairs and Maintenance of Plant and Equipment
8.	Operating Expenses-Ro 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.	Dividend to General Revenues; Repayment of loans taken from General Revenues and Amortization of Over-Capitalisation
16.	Assets-Acquisition, Construction and Replacement

**Recommendation (Para No. 235)**

The Committee are also of the opinion that the expenditure on 'publicity' should be drastically cut and the money so saved should be spent on passenger amenities.

**Reply of the Government**

Railways being the singular organisation with the largest public interface, publicity and advertisements are an integral part of its functioning for dissemination of customer related information on new services, facilities, concessions, etc. as well as soliciting people's cooperation by bringing about an awareness towards proper use of Rail facilities and the negative impact of unlawful acts on the quality of Rail Service.

Moreover, it is also important to educate the general public about the malaise of unscrupulous elements and to caution them against undesirable elements and hazardous materials at Railway premises which can best be done through the medium of publicity

The expenditure on Publicity in the Railways also include the expenditure on the release of Statutory Tender and Classified Advertisements which have functional necessity and therefore, cannot be curbed. The Railway Advertisements, whether they are 'Display', 'Tender' or 'Classified' are released in all major Indian Languages which also has an incremental effect on the overall expenditure.

The 'Grant for Publicity' amounts to less than .0005% of the total budget of the Indian Railways. It has been possible to contain the expenditure within their low allocation in view of the fact that Railway advertisements are normally released at DAVP rate which is substantially lower than the commercial rates of the publications.

A number of steps have, however, been taken to curb unnecessary expenditure on advertisements by limiting the release of Full/Half page advertisements to events/items of only national importance/relevance. A system of obtaining "free advertising space" in the publication against the mandatory Tender/Classified advertisements have been started in some units of Indian Railways.

Keeping the above in view, it may not be possible to divert the funds allotted to publicity head towards passenger amenities.

[Ministry of Railways OM No. 98/BC-II/SCR/XII/6, dated 21.12.98]

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## CHAPTER IV

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

#### Recommendation (Para No. 214)

The Committee find that Rs. 7231 crores were invested during the Eight Plan period for track renewals. During the Ninth Plan it is proposed to spend Rs. 13200 crores in the track renewals and related activities. The Committee are concerned to note that total track due for renewal is 10957 kms. on BG and 1014 on MG as on 1.4.97. During 1998-99, 372 new works are proposed to be taken under track renewals. Accordingly 3485 kms. of BG and 88.4 kms. of MG track would be renewed during the year. With the present rate of allocation of funds, it would not be possible for the Railways to wipe out the arrears of track renewals before the Xth Plan. The Committee, therefore, desire that more funds should be made available for track renewals so that all the arrears of track renewals could be wiped out within the IXth Plan period itself.

#### Reply of the Government

The Committee has noted that during the year 3485 kms of BG and 88.4 kms of MG track shall be renewed.

This is not correct as for the year 1998-99, 3485 kms. of BG and 88.4 kms. of MG track renewal has been sanctioned, but all this may not be got done. Within the funds provided for track renewal during 1998-99, it is targeted to achieve 2710 kms. of track renewal only. Accordingly the carry forward of the overdue renewals will be larger. It will be necessary that more funds should be made available for track renewals in coming years so that arrears of track renewals could be wiped out earlier.

[Ministry of Railways OM No. 98/BC-II/SCR/XII/6 dated 21.12.98]

#### Revised/updated Reply of the Government

Track forms the backdrop of railway transportation system and needs to be maintained in safe and fit condition. Track is renewed as and when it becomes due for renewal on various criteria including the availability of funds.

The track renewal arrears which were of the order of 10957 km. on Broad Gauge at the beginning of Ninth Plan (as on 1.4.97), are 11928 km. on Broad Gauge and 4700 km. on Meter Gauge and Narrow Gauge as on 1.4.2000.

The year-wise expenditure/allocation and track renewals done during the first three years of IX plan are as under :

Year	Total Expenditure (Gross-All Gauges) Rs. in crore.	Broad Gauge and Meter Gauge renewals done in km.	Arrears of Track Renewal at the end of the year. (Broad Gauge + MG/NG) in kms.
1997-98	1805.00	2950	11211+2903
1998-99	1802.00	2967	11260+4995
1999-2000	2042.16	2006	11928+4700
2000-2001	2600.00 (Budgeted)	3250 (Targeted)	

It is evident from the above that the carry forward of overdue renewals of track is becoming larger. In order to liquidate the arrears of renewals and to cater for current arising, the allocation would need to be increased substantially otherwise the arrears will continue to remain the inadequate availability of funds becoming available within railways Budget.

[Ministry of Railways OM No. 2000/BC-II/XIII/200/7 dated 26.9.2000]

#### Comments of the Committee

Please see Paragraph No. 7 of Chapter I of the Report.

#### Recommendation (Para Nos. 218 and 225)

The second class ordinary travel is generally patronised over short distances as the passengers normally travel in unreserved coaches by ordinary slow moving passenger trains. Majority of the passengers patronise this particular class of travel for distances up to 150 kms. This sort of passenger traffic mainly comprises short distance daily passengers. A large number of season ticket holders from a substantial percentage of travellers in this category. Due to dispersal of residential accommodation beyond the municipal limits of major cities to the suburban areas, the number of passengers in this category has been growing fast. The Committee,



therefore, recommended that Mainline Electric Multiple Units (MEMU/Diesel Multiple Units (DMU) and pull-push services should be introduced/increased in these areas so that the daily passengers could travel comfortably in these trains. They also desire that at least one toilet with attendant and drinking water should be provided in each coach of the MEMU/DMU/EMU.

225. The Committee find that there are a number of pending demands for introduction of EMUs/MEMUs/DMUs from different sections of society. The Committee take serious view of the failure of the Ministry of Railways in giving a clear reply to a specific query raised by the Committee as to whether the Ministry are thinking to accede to these demands of the people.

#### **Reply of the Government**

In the areas having sub-urban type of traffic, Railways as a matter of policy have decided to replace the conventional Passenger trains by EMU/MEMU/DMU to the extent feasible and justified. However, due to limitations of availability of such stock this is being done in a phased manner on the basis of availability of the requisite stock. During 1998-99, it is proposed to provide MEMU services on the following sections :-

1. Kanpur-Shikohabad
2. Durg-Bilaspur
3. Asansol-Jhajha
4. Purulia-Bardhaman

And DMU services on the following sections :

1. Daund-Pune
2. Tiruchchirappalli-Karur
3. Buxar-Danapur-Patna
4. Patna-Rajgir
5. Mhow-Indore (MG)

These services are provided on sections having high density of short distance traffic (up to 150 kms.) Provision of toilets with attendant and drinking water is not desirable as it will eat in to the carrying capacity of the trains. Besides, there will be problem of cleanliness and watering of toilets as these services run intensively without adequate duration of stoppages enroute or at terminals.

The concept of EMU/DMU/MEMU is that such rakes will not touch washing lines on daily basis for optimum utilisation of the resources. Dilution of this concept is not justified. However, where passenger requirement for toilets is imperative, running of conventional trains will be considered.

The annual production plan of these coaches for the next five years, including the current year is as follows :

EMU - 1750

MEMU - 500

DMU - 300

The demands for MEMU/DMU introduction are acceded to depending upon the traffic justification as well as availability of the stock.

[Ministry of Railways OM No. 98/BC-II/SCR/XII/6 dated 21.12.98]

#### **Revised/Updated Reply of the Government**

In the areas having sub-urban type of traffic, Railways as a matter of policy have decided to replace the conventional Passenger trains by MEMU/DMU/EMU to the extent feasible and justified. However, due to the extent feasible and justified. However, due to limitations of availability of such stock this is being done in a phased manner on the basis of availability of the requisite stock. MEMU services have been provided on the following sections:-

1. Kanpur-Shikohabad with effect from 05.02.1999
2. Durg-Bilaspur with effect from 24.08.1998
3. Asansol-Jhajha with effect from 15.06.1998
4. Purulia-Barddhaman with effect from 15.08.1998

And DMU services on the following sections:-

1. Tiruchchirappalli-Karur with effect from 14.7.1999
2. Buxar-Danapur-Patna with effect from 16.10.1998
3. Patna-Rajgir with effect from 16.10.1998

These services are provided on sections having high density of short distance traffic (up to 150 Kms.). Provision of toilets with attendant and drinking water is not desirable as it will eat in to the carrying capacity of the trains. Besides, there will be problem of cleanliness and watering of toilets as these services run

intensively without adequate duration of stoppages enroute or at terminals. The concept of MEMU/DMU/EMU is that such rakes will not touch washing lines on daily basis for optimum utilisation of the resources. Dilution of this concept is not justified. However, where passenger requirement for toilets is imperative, running of conventional trains will be considered.

The annual production plan of these coaches for the next five years, including the current year is as follows:-

EMU	-	1750
MEMU	-	500
DMU	-	300

The demands for MEMU/DMU introduction are acceded to depending upon the traffic justification as well as availability of the stock.

[Ministry of Railways OM No. 2000/BC-II/XIII/7 dated 29.9.2000]

#### Comments of the Committee

(Please see Paragraph Nos. 10 & 11 of Chapter I of the Report)

## CHAPTER V

### RECOMMENDATIONS/OBSERVATIONS IN RESPECT OF WHICH REPLIES OF THE GOVERNMENT ARE STILL AWAITED

#### **Recommendation (Para No. 205)**

The Indian Railways had to resort to a leasing system for Rolling Stock assets from the Indian Railway Finance Corporation because they could not mobilise sufficient internal resources/budgetary support from the General Exchequer to meet their requirement of rolling infrastructure for augmenting their freight capacity. As a result, the lease rentals payable to IRFC increased substantially from Rs. 27 crore in 1987-88 to Rs. 2192 crore (B.E.) in 1998-99, which shows that these lease rentals are almost reaching the level of the value (i.e. Rs. 2665 crore (B.E.) of rolling assets leased by IRFC.

#### **Recommendation (Para No. 206)**

The overall burden of this enhanced lease rentals tells upon the financial health of the Railways, hindering their modernisation and expansion process. The Committee take a very serious view of the burgeoning lease charges payable every year to IRFC which has been borrowing money from the public and other financial institutions. The Committee think it quite imperative to reduce the cost of borrowings by the Railways from the IRFC and for this purpose, they strongly recommend to the Government that Railway rolling stock should be considered as a part of the infrastructure for relief facility under Section 80(IA) and the IRFC be exempted from payment of Minimum Alternative Tax (MAT) under Section 115 JA of the Income Tax Act.

#### **Reply of the Government**

The issue has been referred to Ministry of Finance both by Indian Railway Finance Corporation Limited and Ministry of Railways.

[Ministry of Railways, OM No. 98/BC-II/SCR/XII/6 dated 22.1.99]

#### **Further Reply of the Government**

Rolling stock assets rising to a value of approximately Rs. 15,400 crore as at the end of the financial year 1998-99 leased to Railways by the Indian Railway Finance Corporation (IRFC), have contributed directly to the revenue earning

capability of the Indian Railways. The lease rentals payable to IRFC are utilized for meeting both the interest commitments and the redemption of money raised in the market by IRFC. IRFC through a prudent programme of borrowings and investments had been able to reduce the lease rental in the primary lease period from 17½% in 1996-97 to 16½% in 1997-98 and still further to 14½% during 1998-99. Further, the issues of treating Railways' rolling stock as "infrastructure" under section 80(IA) of the Income Tax Act and of exempting Indian Railway Finance Corporation from payment of Minimum Alternative Tax have been referred to the Ministry of Finance and are being pursued.

[Ministry of Railways, OM No. 98/BC-II/SCR/XII/6 dated 15.12.99]

#### Revised/Updated Reply of the Government

A statement showing the value of rolling stock leased by Indian Railway Finance Corporation (IRFC) to the Railways during the period from 1987-88 to 1999-2000 and the amount of lease charges paid to IRFC in respect of the leased assets is attached as Annexure. The lease charges payable to IRFC are based on the total value of assets leased to Indian Railways. The quantum of lease charges paid to IRFC in any particular year has to be seen with reference to the cumulative value of the assets leased.

Rolling stock assets amounting to Rs. 18,850 crore (Gross) as at 31<sup>st</sup> March, 2000 leased to Railways by the Indian Railway Finance Corporation (IRFC), have contributed directly to the revenue earning capability of the Indian Railways. The lease rentals payable to IRFC out of the revenue earnings are utilized for meeting both the interest commitments and the redemption of money raised in the market by IRFC.

IRFC through a prudent programme of borrowings and investments has been able to reduce the rate of lease rentals in the recent years. As may be seen from the table below, the rate of lease rentals during the primary lease period has come down from 17.5% in 1996-97 to 14.5% in 1998-99 and still further to 13.8% during 1999-2000.

Year in which assets were leased	Lease Rental Rate (Per Annum)	
	Primary lease period (10 years)	Secondary lease period (20 years)
1987-88 to 1992-93	14.5%	2.5%
1993-94 to 1996-97	17.5%	2.5%
1997-98	16.5%	1.5%
1998-99	14.5% (15 years)	Rs. 50,000/- (15 years)
1999-2000	13.8% (15 years)	Rs. 1,00,000/- (15 years)



The issues of treating Railways' rolling stock as "infrastructure" under section 80 (IA) of the Income Tax Act and of exempting Indian Railway Finance Corporation from payment of Minimum Alternative Tax were taken up with the Ministry of Finance. The Ministry of Finance did not, however, respond to this Ministry's proposals in this regard.

[Ministry of Railways, OM No. 2000/BC-II/XIII/200/7 dated 26.9.2000]

Year	Value of rolling stock	Estimated value of rolling stock	Amount of lease rent paid to

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**ANNEXURE**

**STATEMENT REFERRED TO IN GOVERNMENT'S REPLY TO PARAS 205 AND 206-VALUE OF ROLLING STOCK LEASED BY IRFC TO RAILWAYS AND LEASE RENTAL PAID TO IRFC**

(Rs. in Cr.)

Year	Value of Rolling Stock leased by IRFC	Cumulative value of leased assets till end of the year	Amount of lease rental paid to IRFC
1987-88	770	770	15
1998-98	861	1631	170
1989-90	1073	2704	230
1990-91	1170	3874	430
1991-92	1500	5374	666
1992-93	962	6336	855
1993-94	900	7236	960
1994-95	1050	8286	1126
1995-96	659	8945	1395
1996-97	1902	10847	1446
1997-98	2238	13085	1856
1998-99	2951	16036	2113
1999-2000	2814	18850	2350
2000-01 (BE)	3400	2250	2780

NEW DELHI;  
4 November, 2000  
13 Kartika , 1922 (Saka)

K. YERRANNAIDU  
Chairman,  
Standing Committee on Railways.

## APPENDIX I

### MINUTES OF THE TWELFTH SITTING OF STANDING COMMITTEE ON RAILWAYS (1999-2000)

The Committee sat on Tuesday, the 7th July, 2000 from 1100 hrs. to 1300 hrs.  
in Committee Room 'B' Parliament House Annexe, New Delhi.

#### PRESENT

Shri K. Yerranna — *Chairman*

#### MEMBERS

##### *Lok Sabha*

2. Dr. (Smt.) Anit Arya
3. Shri Manikrao Hodlya Gavit
4. Shri Moinul Hassan
5. Dr. Madan Prasad Jaiswal
6. Shrimati Abha Mahato
7. Shri Sadshivrao Mandlik
8. Shri Salkhan Murmu
9. Shri Jaibhan Singh Pawaiya
10. Shri Prabhat Kumar Samantaray
11. Shri Bahadur Singh
12. Shri Brij Bhushan Sharan Singh
13. Capt. (Retd.) Inder Singh
14. Shri Jai Bhadra Singh
15. Shri Rajo Singh
16. Shri Jagdambi Prasad Yadav

##### *Rajya Sabha*

17. Shri Bhagatram Manhar
18. Shri Jhumuk Lal Bhendia
19. Chaudhary Chunni Lal
20. Shrimati Chandra Kala Pandey
21. Shri Maulana Obaidullah Khan Azmi

22. Shri Abani Roy
23. Dr. D. Venkateshwar Rao
24. Shri Ramachandraiah Rumandla

## SECRETARIAT

1. Shri M. Rajagoplan Nair — *Joint Secretary*
2. Shri R.C. Gupta — *Deputy Secretary*
3. Shri S.N. Dargan — *Under Secretary*
4. Shri O.P. Shokeen — *Committee Officer*

2. At the outset, the Chairman welcomed the members to the sitting. Thereafter, the Committee considered the Draft Second, Third and Fourth Action Taken Reports on action taken by the Government on the recommendations/ observations contained in (i) 9th Report of the Standing Committee on Railways (1997-98 on 'Railway Finance'; (ii) 14th Report of the Standing Committee on Railways (1997-98) on 'Modernisation and Capacity Utilisation of Workshops in Indian Railways'; and (iii) Ist Report of the Standing Committee on Railways (1998-99) on 'Demands for Grants, (1998-99) of the Ministry of Railways' and adopted the above Reports except paragraphs No. 9 and 22 of the Draft Second Report; paragraphs No. 7, 16 and 23 of the Draft Third Report; and paragraphs No. 7, 13 and 16 of the Draft Fourth Report. They decided to take further evidence of the representatives of the Ministry of Railways, Planning Commission and Ministry of Finance on the aforesaid paragraphs.

3. However, the Committee also took serious note of the news item captioned '**MPs go on fancy joyride to find out what's wrong with Railways**' appeared in "The Indian Express" dated 04.07.2000 about the Study Tours undertaken by Study Group-III of the Committee to Jammu from 20-22 June and to Bhubaneshwar from 2-5 July, 2000 and authorised the Chairman to take up the matter at appropriate level.

*The Committee then adjourned.*

**MINUTES OF THE FOURTEENTH SITTING OF STANDING COMMITTEE ON  
RAILWAYS (1999-2000)**

The Committee sat on Monday, the 11th September, 2000 from 1500 hrs. to 1630 hrs. in Committee Room 'D', Parliament House Annexe, New Delhi.

**PRESENT**

Shri K. Yerrannaidu — *Chairman*

**MEMBERS**

*Lok Sabha*

1. Shri Priya Ranjan Dasmunsi
2. Dr. Madan Prasad Jaiswal
3. Shri Gunipati Ramaiah
4. Shri Prabhat Kumar Samantaray
5. Shri Bahadur Singh
6. Shri Brij Bhushan Sharan Singh
7. Shri Rajo Singh

*Rajya Sabha*

8. Shri Bhagatram Manhar
9. Shri Jhumuk Lal Bhendia
10. Shri Raju Parmar
11. Chaudhary Chunni Lal
12. Shrimati Chandra Kala Pandey

**SECRETARIAT**

1. Shri M. Rajagopalan Nair — *Joint Secretary*
2. Shri R.C. Gupta — *Deputy Secretary*
3. Shri S.N. Dargan — *Under Secretary*
4. Shri O.P. Shokeen — *Committee Officer*



## WITNESSES

**Representatives of Ministry of Railways**

1. Shri Ashok Kumar - Chairman, Railway Board & Ex-Officio Principal Secy. to the Govt. of India.
2. Shri P.V. Vasudevan - Financial Commissioner (Railways) & Ex-Officio Secy. to the Govt. of India.
3. Shri K. Balakesari - Member Staff & Ex-Officio Secy. to the Govt. of India.
4. Shri R.N. Malhotra - Member Engineering & Ex-Officio Secy. to the Govt. of India.
5. Shri K.B. Sankaran - Member Mechanical & Ex-Officio Secy. to the Govt. of India.
6. Shri N.K. Chidambaram - Member Electrical & Ex-Officio Secy. to the Govt. of India.

**Representative of Ministry of Finance**

1. Dr. E.A.S. Sarma - Secretary, Ministry of Finance

**Representative of Planning Commission**

1. Shri N.C. Saxena - Secretary, Planning Commission

At the outset, the Chairman welcomed the Members and the Representatives of Ministries of Railways, Finance and Planning Commission to the sitting of the Committee and invited their attention of provision contained in Direction 58 of the Directions by the Speaker, Lok Sabha. Thereafter, the Committee sought clarification from the Representatives of the Ministries of Railways, Finance and Planning Commission on some of the Action Taken Notes on the recommendations/ observations contained in 9th Report (1997-98) on 'Railway Finance' and 1st Report (1998-99) on 'Demands for Grants, 1998-99' of the Ministry of Railways.

2. The evidence of the Representatives of the Ministry of Finance and Planning Commission concluded. However, the Committee decided to have further clarification from the Representatives of the Ministry of Railways on the Action Taken Notes contained in 9th Report (1997-98) on 'Railway Finance' and 1st Report on 'Demands and Grants (1998-99) of the Ministry of Railways'.

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

*The Committee then adjourned.*

MINUTES OF THE FIFTEENTH SITTING OF STANDING COMMITTEE ON  
RAILWAYS (1999-2000)

The Committee sat on Tuesday, the 12th September, 2000 from 1100 hrs. to 1245 hrs. in Committee Room 'D', Parliament House Annexe, New Delhi.

PRESENT

Shri K. Yerranna — *Chairman*

MEMBERS

*Lok Sabha*

2. Dr. (Smt.) Anita Arya
3. Shrimati Santosh Choudhary
4. Shri Priya Ranjan Dasmunsi
5. Shri P.D. Elangovan
6. Shri Manikrao Hodlya Gavit
7. Shri Tarun Gogoi
8. Shri Sadashivrao Mandlik
9. Shri Subodh Mohite
10. Shri Jaibhan Singh Pawaiya
11. Shri Sohan Potai
12. Shri Naval Kishore Rai
13. Shri Gunipati Ramaiah
14. Shri Prabhat Kumar Samantaray
15. Shri Bahadur Singh
16. Shri Brij Bhushan Sharan Singh
17. Capt. (Retd.) Inder Singh
18. Shri Rajo Singh
19. Shri A.K.S. Vijayan

*Rajya Sabha*

20. Shri Bhagatram Manhar
21. Shri Jhumuk Lal Bhendia
22. Shri Banarsi Das Gupta

23. Shri Rajubhai Parmar
24. Chaudhary Chunni Lal
25. Dr. (Smt.) Chandra Kala Pandey
26. Shri Anil Sharma
27. Shri Abani Roy
28. Dr. D. Venkateshwar Rao
29. Shri Ramachandraiah Rumandla

## SECRETARIAT

- |                             |   |                          |
|-----------------------------|---|--------------------------|
| 1. Shri M. Rajagopalan Nair | — | <i>Joint Secretary</i>   |
| 2. Shri R.C. Gupta          | — | <i>Deputy Secretary</i>  |
| 3. Shri S.N. Dargan         | — | <i>Under Secretary</i>   |
| 4. Shri O.P. Shokeen        | — | <i>Committee Officer</i> |

## WITNESSES

- |                           |   |   |
|---------------------------|---|---|
| 1. Shri Ashok Kumar       | — | Chairman, Railway Board & Ex-Officio Principal Secy. to the Govt. of India. |
| 2. Shri P.V. Vasudevan    | — | Financial Commissioner (Railways) & Ex-Officio Secy. to the Govt. of India. |
| 3. Shri K. Balakesari     | — | Member, Staff & Ex-Officio Secy. to the Govt. of India.                     |
| 4. Shri R.N. Malhotra     | — | Member, Engineering & Ex-Officio Secy. to the Govt. of India.               |
| 5. Shri K.B. Sankaran     | — | Member, Mechanical & Ex-Officio Secy. to the Govt. of India.                |
| 6. Shri N.K. Chaidambaram | — | Member, Electrical & Ex-Officio Secy. to the Govt. of India.                |

2. At the outset, the Chairman welcomed the Members and the Representatives of Ministry of Railways to the sitting of the Committee and invited their attention to provision contained in Direction 58 of the Directions by the Speaker, Lok Sabha. Thereafter, the Committee sought further clarification from the Representatives of the Ministry of Railways on the Action Taken Notes on the recommendations/observations contained in 9th Report (1997-98) on 'Railway Finance' and 1st Report (1998-99) on 'Demands for Grants, 1998-99 of the Ministry of Railways. Thereafter, the Committee took evidence of the Railway officials to

seek clarification on some of the Action Taken Notes relating to recommendations/ observations contained in the 14th Report on 'Modernisation and Capacity Utilisation of Workshops in Indian Railways'.

3. The Committee decided to finalise the Action Taken Report on action taken by the Government on recommendations/observations contained in the 9th Report (1997-98) on 'Railway Finance'. However, the evidence on the 14th Report and the 1st Report remained inconclusive.

4. The Committee also decided to postpone the evidence of the Ministries of Railways and Heavy Industry & Public Enterprises on Action Taken Notes on the recommendations/observations contained in 12th Report (1997-98) on 'Procurement of Wagons by Indian Railways'.

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

*The Committee then adjourned.*

1. श्रीमान् जयशंकर प्रसाद
2. श्री ए. टी. बरोडिया
3. श्री जयप्रकाश नारायण
4. श्री जयशंकर प्रसाद
5. श्री जयशंकर प्रसाद
6. श्री जयशंकर प्रसाद
7. श्री जयशंकर प्रसाद
8. श्री जयशंकर प्रसाद
9. श्री जयशंकर प्रसाद
10. श्रीमान् जयशंकर प्रसाद
11. श्री जयशंकर प्रसाद
12. श्री जयशंकर प्रसाद
13. श्री जयशंकर प्रसाद

MINUTES OF THE SEVENTEENTH SITTING OF STANDING COMMITTEE ON  
RAILWAYS (1999-2000)

The Committee sat on Tuesday, the 24th October, 2000 from 1500 hrs. to 1630 hrs. in Committee Room 'C', Parliament House Annexe, New Delhi. In the absence of Chairman, the Committee chose Shri Moinul Hassan, 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

Shri Moinul Hassan — (*In the Chair*)

MEMBERS

*Lok Sabha*

2. Shrimati Santosh Choudhary
3. Shri P.D. Elangovan
4. Shri Tarun Gagoi
5. Shrimati Abha Mahato
6. Shri Subodh Mohite
7. Shri Jaibhan Singh Pawaiya
8. Shri Naval Kishore Rai
9. Shri Prabhat Kumar Samantray
10. Shrimati Sushila Saroj
11. Dr. Nitish Sengupta
12. Shri Bahadur Singh
13. Shri Brij Bhushan Sharan Singh
14. Capt. (Retd.) Inder Singh
15. Shri Rajo Singh
16. Shri A.K.S. Vijayan
17. Shri Jagdambi Prasad Yadav

*Rajya Sabha*

18. Shri Bhagatram Manhar
19. Shri Jhumuk Lal Bhendia



20. Shri Banarsi Das Gupta
21. Shri Raju Parmar
22. Shrimati Chandra Kala Pandey
23. Shri Maulana ●baidullah Khan Azmi
24. Shri Anil Sharma
25. Shri Abani Roy
26. Dr. D. Venkateshwar Rao

## SECRETARIAT

1. Shri R.C. Gupta — *Deputy Secretary*
2. Shri S.N. Dargan — *Under Secretary*
3. Shri O.P. Shokeen — *Committee Officer*

2. At the outset, the acting Chairman welcomed the Members to this sitting of the Committee. Thereafter, the Committee considered and adopted the following draft Action Taken Reports without any amendments/modifications :-

- (i) \*\*\*
- (ii) Draft 4th Report on action taken by the Government on recommendations/observations contained in Ist Report of Standing Committee on Railways (1998-99) on 'Demands for Grants (1998-99) of the Ministry of Railways'.
- (iii) \*\*\*

3. The Committee authorized the Chairman to finalize the Reports after making consequential changes, if any, arising out of the factual verification by the Ministry of Railways or otherwise and to present the Reports to both the Houses of Parliament.

*The Committee then adjourned.*

## APPENDIX II

### ANALYSIS OF THE ACTION TAKEN BY THE GOVERNMENT ON THE RECOMMENDATIONS/OBSERVATIONS CONTAINED IN FIRST REPORT OF THE STANDING COMMITTEE ON RAILWAYS (1998-99) ON DEMANDS FOR GRANTS (1999-2000) OF THE MINISTRY OF RAILWAYS

#### Total number of Recommendations/Observations

- (i) Recommendations/Observations which have been accepted by the Government (*vide* Recommendations/Observations Para Nos. 211, 215, 216, 217, 222, 224, 228, 229, 230 and 232).
- Percentage of Total 25.64%
- (ii) Recommendations/Observations which the Committee do not desire to pursue in view of Government's replies (*vide* Recommendations/Observations Para Nos. 197, 198, 199, 200, 201, 202, 203, 204, 207, 208, 209, 210, 212, 213, 219, 220, 221, 223, 226, 227, 231, 233, 234 and 235).
- Percentage of Total 61.54%
- (iii) Recommendations/Observations in respect of which Government's replies have not been accepted by the Committee and which required reiteration (*vide* Recommendations/ Observations Para Nos. 214, 218 and 225).
- Percentage of Total 7.69%
- (iv) Recommendations/Observations in respect of which final reply of the Government is still awaited (*vide* Recommendations/ Observations Para Nos. 205 and 206).
- Percentage of Total 5.13%