

ESTIMATES COMMITTEE

NINETEENTH REPORT

1955-56

MINISTRY OF RAILWAYS

GENERAL ADMINISTRATION

**PARLIAMENT LIBRARY
DIGITIZED**



सत्यमेव जयते

LOK SABHA SECRETARIAT

NEW DELHI

January, 1956

CONTENTS

	PAGES
COMPOSITION OF THE COMMITTEE	(iii)
INTRODUCTION	I
I. ORGANISATION & FUNCTIONS OF THE RAILWAY MINISTRY	2—15
A. The Railway Board	2—11
1. Secretariat Organisation	2—4
2. Attached & Subordinate Offices	4—10
(a) The Central Standards Office	4-5
(b) The Railway Testing and Research Centre	5
(c) The Office of the Security Adviser to the Railway Board	5-6
(d) The Railway Rates Tribunal	6
(e) The Railway Liaison Office	6-7
(f) The Tank Wagon Controller	8-9
(g) The Railway Service Commissions	9-10
(h) The Railway Staff College	10
3. The Indian Railway Conference Association	10-11
B. General Pattern of Organisation and Functions of Railway Administrations	12—15
1. General Manager	12—15
(a) The Civil Engineering Department	12
(b) The Mechanical Engineering Department	12-13
(c) The Commercial Department	13
(d) The Operating Department	13
(e) The Finance and Accounts Department	13
(f) The Stores Department	13
(g) The Electrical Engineering Department	14
(h) The Signal and Tele-communications Department	14
(i) The Medical Department	14
(j) The Railway Protection Force	14
(k) The Personnel Department	14
(l) Other Miscellaneous Branches	14-15
2. Types of Lower Formation	15
II. GENERAL ADMINISTRATION	16—29
A. Introduction	16
B. Central Controlling Authority	16—18
C. Size of Railway Zones	18—22
D. Problem of the Metre Gauge	22—24
E. Divisional, District and Regional Patterns of Organisation	24—28
F. Supervision at Inspectorial Level	28
G. Separation of the Ministries of Railways and Transport	28
H. Miscellaneous	28-29

APPENDICES—

I. Statement showing the actual expenditure of the subordinate and attached offices of the Railway Board during the years 1938-39, 1946-47, and 1951-52 to 1955-56	30-31
II. Chart indicating the Organisation of the Office of the Railway Board	32
III. Chart indicating the various Zonal Railways and other attached and subordinate offices under the Railway Board	33
IV. Summary of Conclusions/Recommendations	34-38

MEMBERS OF THE ESTIMATES COMMITTEE, 1955-56

1. Shri Balvantray Gopaljee Mehta—*Chairman*.
2. Shri T. Madiah Gowda
3. Shri Amarnath Vidyalankar
4. Shri Lalit Narayan Mishra
5. Shri M. R. Krishna
6. Shri Radheshyam Ramkumar Morarka*
7. Dr. Ram Subhag Singh
8. Shri Raghavendrarao Srinivasrao Diwan
9. Shri Satis Chandra Samanta
10. Shri Nageshwar Prasad Sinha
11. Col. B. H. Zaidi
12. Shri Rohanlal Chaturvedi
13. Shri Venkatesh Narayan Tivary
14. Shri Govind Hari Deshpande
15. Shri B. L. Chandak
16. Shrimati B. Khongmen
17. Shri Jethalal Harikrishna Joshi
18. Shri B. S. Murthy
19. Shri K. S. Raghavachari
20. Shri C. R. Chowdary
21. Shri V. P. Nayar
22. Shri Bhawani Singh
23. Shri P. N. Rajabhoj
24. Shri Vishnu Ghanashyam Deshpande
25. Shri P. Subba Rao.

•
Secretariat

Shri S. L. Shakhder—*Joint Secretary*

Shri H. N. Trivedi—*Deputy Secretary*

*Elected Member with effect from the 7th December, 1955 vice. Shri R. Venkataraman resigned .

INTRODUCTION

1. I, the Chairman, Estimates Committee, having been authorised by the Committee to submit the Report on their behalf present this Nineteenth Report on the Ministry of Railways on the subject, 'General Administration'.

2. In this Report, the Committee have examined the set-up of the Railway Organisation at various levels and offered their suggestions to improve the same, so as to enable the Ministry of Railways to direct and control effectively the huge expenditure contemplated for expansion of the Railways during the Second Five Year Plan.

3. The Committee wish to express their thanks to the Chairman and Members of the Railway Board and other Officers of the Ministry of Railways for placing before them the material and information that they wanted in connection with the examination of the estimates. They also wish to thank the representatives of the Federation of Indian Chambers of Commerce and Industry, New Delhi, the All India Manufacturers' Organisation, Bombay, the All India Federation of Transport Users' Associations, Bombay, the National Federation of Indian Railwaymen, New Delhi and Sarvashri H. N. Kunzru, M.P., Shanti Prasad Jain, L. P. Misra, K. C. Bakhle, I. S. Puri, V. P. Bhandarkar and B. B. Varma for giving their evidence and making valuable suggestions to the Committee.

BALVANTRAY GOPALJEE MEHTA,

Chairman,

Estimates Committee.

NEW DELHI;

The 24th January, 1956.

ORGANISATION AND FUNCTIONS OF THE RAILWAY MINISTRY

(A Descriptive Survey)

A. The Railway Board

1. SECRETARIAT ORGANISATION

The Railway Board was first constituted under the Indian Railway Board Act, 1905 for controlling the administration of Railways in India. It functions as a Ministry of the Government of India and exercises all the powers of the Central Government in respect of regulation, construction, maintenance and operation of Railways. By virtue of inclusion of the Financial Commissioner for Railways in its constitution, the Railway Board also exercises the full powers of the Government of India in regard to Railway expenditure. The existing constitution of the Railway Board also gives the Board such freedom in shaping and carrying out Railway policy as will enable it to treat Railways as a national undertaking to be developed on commercial lines. The Railway Board functions as a corporate body, and, as such, is responsible for advising the Minister on all major questions of Railway policy. Comparatively minor matters are submitted to the Minister for his information or orders by the individual Members, who are functional in such matters.

2. The Railway Board, as at present constituted, consists of the Chairman, the Financial Commissioner, Railways and three Members in charge of Staff, Engineering and Transportation. The Chairman is *ex-officio* Secretary to the Government of India in the Ministry of Railways. The Financial Commissioner for Railways, is also an *ex-officio* Secretary to the Government of India in the Ministry of Railways, in matters financial. The Secretary to the Government of India in the Ministry of Transport is also an *ex-officio* Member of the Railway Board.

3. The functions of each of the Members of the Railway Board are briefly described below:—

(i) *Chairman, Railway Board.*—The Chairman, Railway Board is an *ex-officio* Secretary to the Government of India in the Ministry of Railways. He is responsible under the Minister for Railways, for arriving at decisions on technical questions and on matters of Railway policy. All policy and other important matters are put up to the Minister through him. He has the power to over-rule the other Members of the Board except that the Financial Commissioner if, in any matter of Finance, he does not agree with the Chairman, Railway Board, has the right to ask it to be referred to the Railway Minister and the Finance Minister. The Chairman, Railway Board also functions as a Member for Civil Engineering.

(ii) *Financial Commissioner*.—The Financial Commissioner for Railways is vested with the full powers of the Government of India to sanction Railway expenditure, and is *ex-officio* Secretary to the Government of India in the Ministry of Railways in financial matters. No proposals involving expenditure or affecting Railway Revenues can be sanctioned without his prior concurrence. He has the right to refer directly to the Finance Minister any financial issues on which he finds himself unable to agree with the views of the Minister in charge of the Railway Ministry. All proposals which have financial implications have to be scrutinised by Finance and the proposals are disposed of at the appropriate level.

(iii) *Functional Members*.—The Member, Engineering, is in charge of Mechanical Engineering, Research and Design and Stores. The Member, Transportation, is in charge of Transportation and operation including commercial matters. The Member, Staff, is in charge of all Staff matters. Each functional Member is responsible for giving necessary technical guidance to the Railway Administrations in respect of the subjects for which he is in over-all charge.

4. In order to give relief to the Members of the Board from the enormous amount of work involved in controlling Railways and to enable them to give some time for touring and studying the wider problems of Railway policy, the Board is assisted by a number of technical officers, designated as Directors, each placed in charge of a Directorate. At present eleven Directors are attached to the Board's office *viz.* Establishment, Finance (Accounts), Finance (Expenditure), Traffic (General), Traffic (Transportation), Civil Engineering, Mechanical Engineering, Railway Equipment, Efficiency Bureau, Rail Movements (Calcutta) and Research and Testing Centre (Lucknow). The Directors are responsible for issuing instructions direct to the Railway Administrations. They are the heads of their respective branches and keep liaison with the Railway Administrations.

There is also an Economic Adviser of Director's status, whose function is to advise the Board from a professional economist's point of view in all matters of railway working and to supervise the statistical work in the Board's Secretariat. He works under the Financial Commissioner, Railways.

The Secretary, Railway Board, is responsible for the general conduct of work in the Ministry, for co-ordination between branches and in particular, for the current relations between the Ministry of Railways and the other Ministries of the Government of India. In addition, the Secretary is also responsible for dealing with all the cases relating to promotions of officers to the administrative grades as also disciplinary action against officers.

Expenditure of the Railway Board

5. The following table shows the annual expenditure incurred in the Railway Board during the years 1938-39, 1946-47 and 1951-52 to 1955-56.

<i>Year</i>	<i>Amount of actual expenditure</i>
(Figures in Thousands of Rupees)	
1938-39	.. 1,363
1946-47	.. 3,690
1951-52	.. 3,026
1952-53	.. 3,182
1953-54	.. 3,558
1954-55	.. 3,854
1955-56 (Budget estimates)	.. 4,243

2. ATTACHED AND SUBORDINATE OFFICES.

6. The following is the list of Attached and Subordinate Offices of the Railway Board:

Attached Offices.

- (a) The Central Standards Office, New Delhi.
- (b) The Railway Testing and Research Centre, Lucknow.

Subordinate Offices.

- (c) The Office of the Security Adviser to the Railway Board, Allahabad.
- (d) The Railway Rates Tribunal, Madras.
- (e) The Railway Liaison Office, New Delhi.
- (f) The Tank Wagon Controller, Bombay.
- (g) The Railway Service Commissions, Allahabad, Bombay, Calcutta and Madras.
- (h) The Railway Staff College, Baroda.

7. The functions of each of the above Offices are described below:

(a) *Central Standards Office, New Delhi.*—The Central Standards Office was established in 1930, for co-ordinating the work of various Railway Standards Committees. Its principal aim was to promote progressive standardisation of rolling stock, track, bridges, structures and all equipment commonly used on Indian Railways in accordance with changing conditions and as a result of practical experience. In 1935, the Central Standards Office was placed on a permanent footing and is now responsible for a wider field of design and standardisation.

The Office has been re-organised in 1954 and now consists of five main wings, viz. Civil Engineering, Signalling and Interlocking, Carriage and Wagon, Locomotives and the Architectural Wings. The Electrical branch is at present a part of the Carriage and Wagon Wing. The Architectural Wing at present functions on a temporary basis. The Central Standards Office has assumed the responsibility as technical consultants to the Ministry of Railways and the Indian Railways and has practically replaced the foreign Consulting Engineers. The inspection of locomotives and boilers at TELCO and boilers at Texmaco is controlled by it. The Central Standards Office is the repository of technical literature and drawings relating to Civil, Mechanical, Architectural, Signal and

Electrical Engineering. A technical library is maintained and important information published in technical journals and books is indexed and made available for reference purposes. The Office keeps a close watch on the applications for grant of patents with a view to safeguarding the interests of the Indian Railways. The design staff are encouraged to evolve original and patentable designs of Railway Equipment which are patented by the Government of India. The Office also maintains a close liaison with other organisations and Government Departments engaged on allied works in the country. It is also a member of several such foreign bodies.

(b) *The Railway, Testing and Research Centre, Lucknow.*—Research began on the Indian Railways in a small way in 1935 as an offshoot of the Central Standards Office. During the War, the research work had to be stopped owing to shortage of technical staff. After the War, the research work was started at Shakurbasti near Delhi. On the 1st September, 1952 the Research section of the Central Standards Office was reorganised as a separate Directorate of the Railway Board and was subsequently transferred to Lucknow. Later on, two research sub-centres were established at Lonavala and Chittaranjan.

The Railway Research Organisation has the following three chief objectives before it:

- (i) Increased safety of rail travel with comfort;
- (ii) Self-sufficiency; and
- (iii) Simplicity and reliability of design leading to economy in capital, maintenance and operation costs.

The Lucknow Centre carries out research on the dynamic effect of vehicles on the track and the bridges and quality performance tests on locomotives and rolling stock ~~and~~ assemblies and components. The Centre also publishes the 'Indian Railway Technical Bulletin and other Railway Technical papers.

The Lonavala sub-Centre tackles problems on buildings, foundation, engineering, soil mechanics and cement concrete as applicable to Railways. The Chittaranjan sub-Centre carries out metallurgical inspection of components manufactured at the Locomotive works and conducts chemical and metallurgical studies on paints, water softeners, lubricants and metal processing.

(c) *Office of the Security Adviser to the Railway Board.*—The Office started functioning from July 1953.

The functions of this Office are as follows:—

- (a) To study the working of the Security Organisation on different Railways and to make recommendations for making the force effective for the purpose for which it is intended;
- (b) To suggest measures to the General Managers which would secure immediate improvements in the security organisation even without large scale changes envisaged under (a) above;

- (c) To pay attention to the problem of pilferages and thefts of goods from railway premises and running trains, and to suggest ways and means of dealing with this problem. The Security Adviser has been authorised to call upon Railway Administrations to supply any statistical data necessary for this purpose;
- (d) To maintain very close liaison with the Police Authorities of various States so as to secure an effective collaboration between the District Police, Railway Police, Railway Protection Police and the Security Forces; and
- (e) To examine the existing security arrangements in general, including those for the collection of intelligence and make recommendations for improving them.

(d) *The Railway Rates Tribunal, Madras.*—The Railway Rates Tribunal is a statutory body formed in 1949 under section 34 of Chapter V of the Indian Railways Act. It consists of a President, two Members and a Secretary. The statutory functions of the Tribunal are to hear and decide cases instituted before it alleging that a Railway Administration is:—

- (a) making or giving any undue or unreasonable preference or advantage to, or in favour of any particular person or Railway Administration or any particular description of traffic, in any respect whatsoever, or subjecting any particular person or Railway Administration or any particular description of traffic to any undue or unreasonable prejudice or disadvantage in any respect, or
- (b) charging station-to-station rates or wagon-load rates which are unreasonable owing to any condition attached to them regarding minimum weight, packing, assumption of risk or any other matter, or
- (c) levying charges (other than standardised terminal station charges) which are unreasonable, or
- (d) unreasonably refusing to quote a new station-to-station rate, or
- (e) has unreasonably placed a commodity in a higher class.

In addition, the Tribunal has also been given the work in connection with the exercise of revisionary powers of General Managers of Railways in regard to cases of removal of service and dismissal of class III employees (including skilled artisans).

The Tribunal is situated at Madras.

(e) *The Railway Liaison Office, New Delhi.*—This organisation functioning under the Railway Equipment Directorate of the Railway Board came into being in August, 1952. The Railway Liaison Officer holds the post of the status of a Joint Director, Railway Board. Some of the main duties of this Organisation are as follows:—

- (a) to maintain liaison between the Railway Indentors and the Chief Purchasing Agency—the D.G. S. & D.;

- (b) to keep liaison with the Ministries including the Iron and Steel Controller, Calcutta; and
- (c) to act on behalf of the Ministry of Railways (Railway Board), in certain matters relating to Stores referred to by the Railways.

The Railway Liaison Officer acts in a limited number of cases as an adviser to the D.G.S. & D. in matters pertaining to supply of stores. He progresses urgent demands of the Railways on requests from indentors for such assistance. The Railway Liaison Officer also takes up cases referred to him by the D.G.S. & D. of delays or incorrect action on the part of the indentors which adversely affect working of the D.G.S. & D.

Liaison with other Ministries.—The Railway Liaison Officer maintains liaison with the Chief Controller of Imports and the Development Officer (Tools) for the issue of imports to firms on whom the Railway Board has placed direct orders. He collects from the consumers quarterly demands for controlled items of steel and sleeper bars required by the Railways and furnishes the same to the Ministry of Commerce and Industry, who allots Railway Board's quarterly quota of steel based on these forecasts to the Railway Liaison Officer. The Railway Liaison Officer then advises about the distribution of this quota by Railway sub-quota holders to the Iron and Steel Controller and intimates the sub-quota holders concerned. He also scrutinises the lists of stores surplus to Defence requirements costing not more than Rs. 5,000 for each item to see whether the Railways had any interest in the surplus stores and where justified by circumstances these lists are circulated to Railways for them to place indents for their demands, if any. Under the existing procedure, Railways' annual requirements of D. D. T. are collected and a consolidated demand is placed on the Ministry of Health through the Director General of Health Services by the Railway Liaison Officer. He also deals with complaints made by the Railways, against the D. G. S. & D. for the supply of defective or incorrect material and faulty inspection. Similarly complaints in the reverse direction made to the Railway Board by the Purchase authorities against Railways for their refusal either to accept the supplies of stores indented for by them or to accept debit for supplies received by them are also dealt with by him. Annual statements of stores transactions submitted by Railways to the Railway Board are received and scrutinised by him in consultation with other branches concerned in the Railway Board's Office and final action is taken by him.

The Railway Liaison Officer is also responsible for furnishing to the Railway Board information on a variety of subjects from the D. G. S. & D. or the Development Wing of the Ministry of Commerce and Industry, e.g.

- (a) names and addresses of manufacturers of various items of Railway stores;
- (b) the current prices of such stores as compared to old prices and their trend;
- (c) Railway's annual demand for certain items of stores; and
- (d) Railway's pending demands, etc.

(f) *The Tank Wagon Controller, Bombay.*—The Tank Wagon Controller's Organisation was originally set up in July 1942 with Headquarters at Bombay and Calcutta with the object of keeping track of all Tank Wagons and to keep the Tank Wagons moving. The Organisation was directly under the Railway Board. The Tank Wagon Controller at Calcutta was to act on behalf of the Controller in Bombay in respect of all matters relating to the movement of Tank Wagons based in areas under the control of the Tank Wagon Controller, Bombay when within 'Calcutta Area'. This post was abolished subsequently. There are, at present, Tank Wagon Inspectors who are under the control of Director, Railway Movements (Railway Board), Calcutta. Between 1949 to 1951, the Tank Wagon Controller, Bombay was under the administrative control of the General Manager, Central Railway. But he is at present directly under the Railway Board.

Some of the main functions of the Tank Wagon Controller's Organisation are:

- (a) To make the fullest use of the limited fleet of Tank Wagons available;
- (b) To exercise the closest possible check on Tank Wagons engaged in the movement of POL traffic from different ports;
- (c) To watch supply of box wagons for POL traffic;
- (d) To maintain liaison with the Oil Companies from day to day as to their requests;
- (e) To co-ordinate all Tank Wagon movements and arrange redistribution from various points;
- (f) To supervise the Bombay, Madras, Okha and Kandla pools of Tank Wagons (both Broad and Metre Gauge);
- (g) To estimate the Tank Wagon requirements from time to time in consultation with Oil Companies and Director, Railway Movements, Calcutta;
- (h) To watch turn-round of POL Tank Wagons and take up cases of deterioration with the Railways concerned;
- (i) Ordering of POL specials to Punjab (I) and arranging supply of Tank Wagons to meet military requirements; and
- (j) To chase the movement of individual Tank Wagons and to coordinate the replies to the Railway Board on all questions relating to POL traffic on an All India basis in consultation with the Oil Companies and the Director, Railway Movements, Calcutta.

The loading and movement of POL Tank Wagons throughout the country, barring the Calcutta Area, is controlled by the Tank Wagon Controller, Bombay. He controls in the aggregate 3408 Tank Wagons, of which 2498 are Broad Gauge and 910 are Metre Gauge. He also supervises the work done by his Tank Wagon Inspectors as well as his office staff. There are six Tank Wagon Inspectors working under him to visit the various stations and Marshalling Yards,

to keep track of Tank Wagons and to point out to the concerned authorities defects, if any, noticed in regard to movement and utilisation, and to suggest remedial measures.

(g) *The Railway Service Commissions.*—A Service Commission with functions restricted to the recruitment of subordinate staff on the ex-North Western Railway was set up in 1942 as an experimental measure. In 1946-47, four more such commissions were set up at Bombay, Calcutta, Madras and Lucknow. The Commissions at Madras, Lucknow and Calcutta consisted of a Chairman and two members each and that at Bombay consisted of a Chairman and three members. On account of the stringent need for economy in expenditure which arose in 1949, the four Commissions were abolished and in their place, one Central Railway Service Commission was set up from the 1st March, 1950 at Bombay, which consisted initially of a Chairman and two members and to which a third member was added later. One Commission could not, however, cope with the increased recruitment work and a second Commission was therefore, established at Calcutta in November, 1951. Each of these two Commissions had a Chairman and two members. Later on, as even two Commissions could not handle promptly all the recruitment for the Railways, it was decided that two more Commissions should be set up at Madras and Allahabad. The strength of each of the Commissions which started functioning by the end of 1953 was fixed a Chairman and a Member. Recently, an additional Member has been sanctioned for each of the Commissions at Bombay and Calcutta.

Functions—The Commissions conduct selections for recruitment of Class III staff for the units shown against them below:

Madras Commission—Southern Railway, the Integral Coach, Factory and the Secunderabad Division of the Central Railway.

Bombay Commission—Western Railway and Central Railway excluding the Secunderabad Division.

Allahabad Commission—Northern Railway, ex-O.T. portion of the North-Eastern Railway and the Ganga Bridge Project.

Calcutta Commission—Eastern Railway, South-Eastern Railway, ex-Assam portion of the North-Eastern Railway and the Chittaranjan Locomotive Works.

Recruitment work involves the following:

- (i) Preparation of the Annual Programme of recruitment in consultation with the Railway Administration;
- (ii) Advertisement of vacancies;
- (iii) Scrutiny of applications received in response to advertisement and selection of applicants for a written examination and/or interview;
- (iv) Making arrangements and conducting interview and examination at various centres;

- (v) Recommending to the Administration a list of suitable candidates in order of merit for appointment;
- (vi) Adoption of such measures as will ensure that the recommendations made would enable the Railway Administration to observe the Government's orders regarding reservation of vacancies for Scheduled Castes, Scheduled Tribes and Anglo-Indians; and
- (vii) Maintenance of statistics of applications received, and candidates interviewed and selected and the submission to the Railway Board of Annual Administration Reports, Monthly Progress Reports and such data as may be called for from time to time.

(h) *The Railway Staff College, Baroda.*—With a view to impart specialised technical training to the Railway Officers and build up an Institution with traditions and standards of the highest type possible which will give Railway Officers an inspiration for better work and service to the public, the Staff College was opened in 1952. There used to be a Staff College at Dehra Dun which was started in 1930. Due to the economic depression of the thirties, which led to large scale reduction in Railway personnel and expenditure, it had to be closed down in 1932.

Instructions are, at present, given to officers of all departments in regular classes of 8 weeks' duration in subjects such as General Rules, Transportation, Commercial, Accounts, Mechanical and Civil Engineering, Model Room practice, Statistics and Establishments by Instructors of the Staff College. Instruction in Railway Law is given by a lecturer from outside who gives a special series of lectures on the subject during every course.

Besides courses for probationary Officers as well as refresher courses for Junior Officers, special lectures are also arranged periodically on selected subjects by lecturers who have specialised in their line mainly for the benefit of senior officers for whom there is no regular course at the College. The College has got a reference Library stocked with the latest books and Technical Magazines on every branch of Railway activity and is kept up-to-date by constant additions. The number of officers passing through the College is not yet large. At present, it is confined to 18 or 20 students. The whole scheme is meant to take at least double this number, in the first instance, and eventually upto 100 trainees at a time.

3. THE INDIAN RAILWAY CONFERENCE ASSOCIATION

8. The Indian Railway Conference Association consists of all Railways in India. The Burma Railways are also an Associate Member. The President of the Association who is one of the General Managers, exercises the powers of a General Manager in establishment and cognate matters of the Indian Railway Conference Association. The President is advised by an executive council consisting of General Managers of two Railways. The General Secretary who is also Director of Wagon Interchanges is the executive head of the organisation.

The existing functions of the Indian Railway Conference Association are:

- (a) to frame rules for the management of traffic inter-changed between Railways;
- (b) to maintain records of wagons inter-changed—Broad Gauge and Metre Gauge separately—between Indian Railways, as well as between Indian Railways and Railways in Pakistan, as directed by the Railway Board; and
- (c) to conduct neutral control of examination of Broad and Metre Gauge Wagons at inter-change Junctions and other points.

The Indian Railway Conference Association is divided into four branches, viz.:—

- (i) General Branch;
- (ii) Wagon Interchange Branch (Broad Gauge);
- (iii) Wagon Interchange Branch (Metre Gauge); and
- (iv) Neutral Control Branch.

The expenditure of the I.R.C.A. is allocated to the Railways as follows:—

- (i) *General Branch*—
To all Railways in proportion to their voting powers.
- (ii) *Wagon Interchange Branch*—
 - (a) *Broad Gauge*.—To all Broad Gauge Railways in proportion to the total number of wagons interchanged on Broad Gauge Railways.
 - (b) *Metre Gauge*.—To Metre Gauge Railways, parties to the Metre Gauge Wagon pool, in proportion to the total number of wagons interchanged on those Railways.
- (iii) *Neutral Control Headquarters Branch*—
To Railways having a junction or junctions under Neutral Control in proportion to the total number of wagons interchanged on Neutral Control junctions.
- (iv) *Neutral Control Junctions*—
 - (a) At junctions of two Railways, equally between the two Railways.
 - (b) At junctions of more than two Railways in proportion to number of wagons interchanged to and from each Railway; except that the cost of any work performed fully by the working Railway is borne wholly by the working Railway.

9. The table in Appendix I shows the actual expenditure on Subordinate and Attached Offices during each of the years 1938-39, 1946-47, 1951-52 to 1954-55 and also the budget estimates for 1955-56.

B. General Pattern of Organisation and functions of Railway Administrations

10. The Indian Government Railways comprise of the following individual Railway Administrations:

- (a) Central Railway,
- (b) Northern Railway
- (c) Southern Railway
- (d) Western Railway
- (e) North-Eastern Railway
- (f) South-Eastern Railway
- (g) Eastern Railway.

11. The general pattern of Administration of these Railways is described in the following paragraphs:

1. General Manager

The General Manager is the administrative head of each Railway and he exercises overall supervisory control over all the departments and also coordinates their working. The Railway Board has delegated wide powers, both administrative and financial to the General Managers in matters relating to establishment, works, etc. The general responsibility for the efficient running of the Railway administration rests on the General Manager. An Officer of Senior Administrative rank, designated Senior Deputy General Manager, is his "Second in Command" (except on the Eastern and South-Eastern Railways, where these posts do not exist). The work on a Railway is distributed functionally to different departments and the functions of each are outlined below:

(a) *The Civil Engineering Department.*—The survey, design, construction and maintenance of Railway track and bridges, buildings for offices, stations and residential quarters and the provision of roads, etc. in railway premises, constitute the main duties and functions of the Civil Engineering Department with the Chief Engineer at its head. This department has roughly one-fourth of the total staff of the system. When new constructions of large magnitude are undertaken, the load of work which is too heavy to be tackled satisfactorily along with the normal work of the department, a separate organisation is formed.

(b) *The Mechanical Engineering Department.*—This Department is responsible for the maintenance of the rolling stock of the Railways, comprising locomotives, passenger coaches, wagons, cranes, ferries, etc. This Department controls the Mechanical Workshops where rolling stock is thoroughly overhauled periodically and where special repairs are made to stock heavily damaged. In some carriage and wagon workshops, a fairly large number of new passenger carriages is also constructed. In others, unfurnished body shells bought from the market, are completely furnished and equipped. Normal day-to-day maintenance of locomotives is carried out in locomotive running sheds and carriage and wagon depots located at suitable points. The Chief Mechanical Engineer and his Officers are responsible for the supervision of the arrangement for regular mainte-

nance. Meeting transportation requirements of locomotive power from day-to-day is, however, entrusted on many Railways to the Transportation Department instead of to the Chief Mechanical Engineer. With a very large number of men employed in workshops in Railway sheds, this Department has the largest staff on the system.

(c) *The Commercial Department.*—The acceptance and booking of passenger, parcel and goods traffic and relations with the customers of the Railway are the functions of the Commercial Department under the Chief Commercial Superintendent. The scales of passenger fares and freight rates at which Railway traffic is booked i.e. the classification of goods and the fixation of class rates and wagon-load scales are prescribed by the Railway Board, but certain restricted powers have been given to the Administrations to quote special reduced rates. The quotation of such special rates is the function of the Commercial Department. It also looks after catering arrangements on the entire Railway system. The conservation of the existing traffic and development of new traffic forms an important item in the duties of this Department. Settlement of claims for goods and parcels lost or damaged is also the function of this Department.

(d) *The Operating Department.*—The actual movement of traffic safely, regularly and quickly is the function of the Operating Department. The Chief Operating Superintendent is the head of the department which co-ordinates and controls the movement of traffic, not only within the Railway, but also to and from contiguous Railways according to quotas fixed in advance. This Department frames the general rules for the movement of trains and of working rules for each individual Railway Station. Minor accidents are also enquired into by this Department (major accidents being the subject of enquiries by the Government Inspectors of Railways). As mentioned earlier, prompt supply and economic utilisation of locomotive power by running sheds is also entrusted on some Railways to this Department. The Fuel Organisation is part of the Operating Department.

(e) *The Finance and Accounts Department.*—The examination and appraisal of the financial implications of all new proposals for expenditure on staff, works etc., and budgeting control of expenditure is the function of the Finance Branch. The maintenance of accounts of Railway earnings and expenditure and the related internal audit of all the transactions is the function of the Accounts Branch. Both these branches are under the Financial Adviser and Chief Accounts Officer.

(f) *The Stores Department.*—The head of the Stores Department is the Controller of Stores. This Department is responsible for the timely procurement and stocking of all the multifarious stores required for the running of Railways (except rolling stock, fuel and a few other specified items). This Department ascertains in advance the stores requirements of all the other Departments and arranges for their procurement either directly or through such Central Purchase Organisations as have been constituted for this purpose. On receipt of the stores, this Department has to inspect them, arrange for their safe storage and correct accountal, and finally distribute them to the indenting Departments. The responsibility for disposal of

stores which have become scrap or surplus also devolves on this Department.

(g) *The Electrical Engineering Department.*—All electrical engineering work on the Railway, such as the maintenance of power houses and other stationary electrical plants as well as the electrical equipment of trains, is handled by the Electrical Engineering Department. Where the Railway has electric traction, the maintenance of the electric locomotives and multiple-unit stock also devolves on this Department. The investigation of proposals for new electrical installations or extensions and their design, construction etc. are also looked after by this Department.

(h) *The Signal and Tele-Communications Department.*—The Tele-Communications Department functions under the Chief Signal and Tele-Communication Engineer and is responsible for the installation and maintenance of signalling and interlocking arrangements on the Railway as well as the wireless and tele-communication net works and electrical traffic control equipment.

(i) *The Medical Department.*—The Chief Medical Officer is the head of this Department. The functions of the Department are to administer the large number of Railway hospitals, dispensaries, maternity and child welfare centres, sanitation and public health in Railway colonies and Railway premises generally. The Department is also responsible for the provision of medical relief to those injured in Railway accidents and the conduct of the initial and periodical medical examinations of Railway staff for physical fitness for the posts.

(j) *The Railway Protection Force.*—Railway Protection Force and the Vigilance Organisation on each Railway as also the intelligence work have been placed in charge of the Chief Security Officer of the status of a head of a department.

(k) *The Personnel Department.*—The personnel work of all departments (except the Accounts Department) is co-ordinated by the Deputy General Manager, Personnel (or Staff).

(l) *Other Miscellaneous Branches.*—Recently an Officer of Junior Administrative Cadre designated, Deputy General Manager (Amenities), has been provided on each Railway for the purpose of co-ordinating provision of amenities for Railway Users like adequate booking facilities, accommodation, fans, drinking water, light, etc.

Certain miscellaneous branches like Catering, Public Relations and Statistics also normally work directly under the Senior Deputy General Manager, though in some cases the first two are under the Chief Commercial Superintendent. A Deputy General Manager (Planning) has also been appointed to look after the work of Planning. After the bifurcation of the Eastern Railway into two Zones, the Deputy General Managers are doing the work of Planning in addition to their normal duties. In each of the other Railways there is a Deputy General Manager to look after Planning.

12. The heads of major departments, viz., the Civil Engineering, Mechanical Engineering, Commercial, Transportation and Accounts are in the Senior Administrative Grade and have under them a complement of Junior Administrative Officers. The heads of the

Stores, Signal and Tele-communication, Electrical and Medical Departments are in the intermediate administrative grade. The Controller of Stores, usually, has one junior administrative officer under him but the other departments namely the Electrical, the Signal, the Tele-communication and the Medical do not, normally, have any junior administrative officers. As exceptions, the Eastern Railway's Chief Signal and Tele-communication Engineer and Chief Electrical Engineer have a junior administrative officer each to assist them and the Central Railway's Chief Electrical Engineer has two junior administrative officers, one for the large electric traction system on that Railway and the other for the Chola Power House, which is one of the biggest thermal generating stations in India.

2. Types of Lower Formation

13. The strength of the Headquarters Organisation varies not only with the work-load of each Railway but also to a certain extent with the type of organisation at lower levels, which, broadly speaking, falls into two types, (excluding Regional system which will be referred to later) one in which the management is departmental and the primary unit for each major department is a 'District' under a senior scale officer and the other in which the primary unit is a 'Division' under an Officer of junior administrative rank called the Divisional Superintendent to co-ordinate the work of all departments within the 'Division'. Under the District system the co-ordination between different departments is done only at the Headquarters Office.

The newly constituted South-Eastern Railway which comprises the Ex-B.N. Railway system is organised on the District system. The Eastern Railway and Northern Railway are organised on the Divisional system. The Central Railway is organised on the Divisional operating system. The remaining Railways, viz., the North-Eastern, Southern and the Western Railways, are organised on the Regional system.

14. The organisation of the Accounts department on the Railways which are run on the Divisional basis conforms to the general pattern and the Divisional Accounts Officer posted in each Division maintains the accounts of the Division and sends periodical returns for incorporation of his accounts along with those of other divisions in the final accounts of the Railways. On the Railways organised on the District System, all accounting work was centralised, but, with the creation of regions, Regional Accounts Offices have been set up for maintaining the accounts of the regions.

15. A Divisional/District Officer is responsible for the running of his department within the territorial limits of his Division/District and under the general supervision and control of the Divisional Superintendent or the Regional Officer as the case may be.

16. Appendix II gives a chart indicating the organisation of the Railway Board's Office and Appendix III indicates the various zonal Railways and other attached and subordinate offices under the Railway Board.

II

GENERAL ADMINISTRATION

A. Introduction

17. The task lying ahead of the Indian Railways is a stupendous one. Nearly one fourth of the expenditure contemplated in the country's Second Five Year Plan will probably have to be incurred by the Railways. Apart from completing the process of rehabilitation, the Railways will also have to tune themselves to the increasing demands of transport due to the expanding economy of the country. The Committee, therefore, felt it necessary to examine whether the existing machinery of administration of the Railways would be able to deal with the big problems confronting them. A brief descriptive survey of the organisation and functions of the Railway Ministry has already been given in the previous chapter. The Committee will confine themselves here to certain broad aspects of the general administrative set-up at various levels and offer their suggestions.

B. Central Controlling Authority

18. The Committee have given their serious consideration to the suggestion of the Kunzru Committee (1947) regarding the setting up of a Statutory Railway Authority. In their Sixteenth Report on "Organisation and Administration of Nationalised Industrial Undertakings", the Committee have made the following observations:

"As far as the organisational set-up is concerned, the Committee are glad to note that generally, from the outset, no attempt was made to run such industries on the departmental basis—a form of organisation unsuited to any public or commercial activity except in such limited fields as the Posts and Telegraphs Department and to some extent the Railways etc."

19. The Kunzru Committee, while recommending the setting up of a Statutory Authority, pointed out two defects of the existing system, viz., (i) the Railway Board is now not only the supreme Union Railway Executive, but is also part of the Secretariat of the Government of India. It is not, therefore, the sole policy-forming authority, as other Ministries have frequently to be consulted before decisions can be reached. Consequently, decisions are often unduly delayed, and the steady pursuit of any long term policy scheme is rendered very difficult; and (ii) further, Railways are now exposed to undesirable interference in their day-to-day working.

20. The Statutory Authority envisaged by the Kunzru Committee may, no doubt, assist in overcoming these two defects. The Committee, however, feel that with less than three months left to launch the Second Five Year Plan, any radical change in the Central Con-

trolling Authority of the Railways will have far-reaching repercussions and this would adversely affect the progress of the Second Five Year Plan of Indian Railways. The Committee, therefore, do not suggest any radical change of this nature. The Committee, however, feel that special measures should be taken to overcome the two defects pointed out by the Kunzru Committee.

21. As regards the first defect, the Railway Board has, by the very nature of things, to function as part of the Secretariat of the Government of India and the general broad policy to be pursued by the Railway Board cannot possibly be different from that laid down for the Secretariat of the Government of India as a whole. To give only an example, the Labour Legislation applicable to other Government departments will naturally apply to the Railways also. Similarly, the scales of pay and other facilities laid down for the Government servants should be applicable to the Railway servants also. As the Government of India has to pursue a uniform broad policy, frequent consultations between the various Ministries including the Railway Ministry are inevitable. The Committee, however, feel that such consultations should not necessarily result in abnormal delays. A special watch by the Organisation and Methods Division over the cases requiring prior consultations with other Ministries will go a long way in minimising delays.

22. One of the reasons for interference arising out of the Parliamentary control is the lack of suitable forum at the General Manager's level where a large number of local questions agitating the minds of the public and staff should normally be disposed of by discussions across the Table. The Zonal Consultative Committees, as at present constituted, are too unwieldy a body for this purpose. The Committee, therefore, suggest that there should be a Council of Advisers, consisting of not more than five individuals, to advise the General Manager in different matters pertaining to the administration of the Railway. This Council should include the President of the recognised Railway Union of the Railway, so that the questions pertaining to staff matters might also be discussed at the meetings of the Council, which should be held once a month. The other members should be selected by the Minister for Railways and they should be taken from retired experienced administrators, prominent men from the public with business experience and the legislators with special aptitude for the transport problems of the country. The functions of this Council will be purely advisory in character, and the General Manager will be free to take his own decisions, after giving due weightage to the advice tendered by the Council. There should be similar Advisory bodies at Regional, Divisional and District levels also.

23. As stated by the Committee in their Report on "Railways' Second Five Year Plan", it will be necessary to strengthen the administration at various levels including that of the Railway Board in an adequate measure. There is no doubt that the pressure of work on the Railway Board is excessive. This has resulted in considerable delays in disposal of cases. The percentage of primary

receipts remaining undisposed of at the end of the month has fluctuated from 35 to 45 during the months, February to July, '55. In order to direct and control the huge expenditure that would have to be incurred on the Second Five Year Plan and to ensure that proper results are achieved, the Committee are of the opinion that the Railway Board should be strengthened by one additional Member. He should be a Member (Civil Engineering), for which at present the Chairman, Railway Board is in charge. The Committee feel that this work should be assigned to a separate Member and the Chairman should be free to co-ordinate the work of the various Members and to advise the Minister on policy matters. He should also be in charge of the Planning Section of the Railway Board and the Efficiency Bureau.

24. At present, the Officers in the Railway Board have to perform triple functions, *viz.*, (i) day-to-day administration, (ii) co-ordination of the work of the various Railway Administrations and (iii) policy making. The Committee would also suggest that the question of assigning the work of day-to-day administration and co-ordination to a separate wing in the Railway Board's Office might be considered with advantage by the Railway Ministry. This would leave greater freedom to the Members of the Railway Board to give more prompt attention to matters of policy. This can be achieved only, if some of the Directors, in the Board's Office, who can take some burden off the shoulders of the Members of the Board in the work of day-to-day administration and co-ordination, have the status of the General Managers. It is only then that they would be in real position to "direct" the activities of the General Managers, to give them necessary technical advice and to co-ordinate their work effectively without making frequent references to the Members of the Railway Board.

C. Size of Railway Zones

25. The next tier below the Railway Board is that of the individual Railway administrations, each under a General Manager. The growth of Indian Railways has all along been very haphazard and this is mainly due to history. Only a few years back, there were different types of Railway administrations, *viz.* (i) State-owned and State-managed, (ii) State-owned and company-managed, (iii) Company-owned and Company-managed, (iv) Private Railways and (v) Railways of Indian States. Due to these variations, the size of Railway units varied widely from a few miles to several thousand miles. Naturally, therefore, the pattern of organization also showed a wide variation. The partition of the country left two truncated Railways without any workshops. The small Railways of the ex-Indian States also presented a difficult problem of absorption. The problem however, was somewhat eased due to the fact that practically all the important Indian Railways had already been nationalised by that time. The Indian Railways, therefore, launch-

ed a big programme of regrouping of all the Railways into suitable and balanced patterns, as a result of which the following six zones emerged:

- (i) Northern
- (ii) Eastern
- (iii) North Eastern.
- (iv) Southern
- (v) Central
- (vi) Western

In actual working, however, it was found that the pressure of work on the individual Railways was very heavy. The question was, therefore, given to the Efficiency Bureau attached to the Railway Board to make a scientific analysis of the work-loads on the regrouped Railways. This analysis revealed that after regrouping, the work-loads on all the Railways had increased considerably and that the same on the Eastern Railway was particularly very heavy. This has resulted in the bifurcation of the Eastern Railway from the 1st August, 1955.

26. During the course of the tours of the Sub-Committees, many responsible Railway officials stated that the work-load imposed upon them after regrouping was very heavy with the result that they found it difficult to keep that degree of supervision on the actual work, as they would have considered desirable. The Committee had the benefit of discussing this question with many senior and experienced retired Railway officials and they were unanimously of the view that the work-load imposed on the regrouped Railways was too heavy. This question had also come up before the Railway Corruption Enquiry Committee and after examining the various aspects of the question, they recommended that the question of reducing the size of the zones be scrutinised by a small high power technical committee. They also rightly suggested that in considering the question of readjusting the units, the question of Divisional and District system should also be examined thoroughly.

27. The decision to partition the Eastern Railway into two units was taken on the basis of the work-loads worked out by the Efficiency Bureau for the year 1952-53. Since then the Efficiency Bureau has been able to work out the work-loads on the basis of statistics for the year 1953-54. The figures of work-loads for these two years are given below in juxtaposition:

Railway	1952-53	1953-54	Pattern of organisation	Optimum work-load
North Eastern Rly.	118	118	Regional	85
Western Rly.	105	107	Regional	85
Northern Rly.	128	133	Divisional	125
Southern Rly.	138	142	Regional	85
Central Rly.	128	128	Divisional (Transportation)	105
Eastern Rly.	232	238	Divisional	125
			Regional	85

28. The Committee had the opportunity of perusing the Report of the Efficiency Bureau on the question of work-loads. In this Report, the Efficiency Bureau has arrived at the following figures of optimum work-loads for different patterns of organisation:

District system	...	...	80
Regional system	...	...	85
Divisional (Transportation) system	...	...	105
Divisional system	...	...	125

The optimum work-loads of the Railways concerned have been indicated in the table given above for ready reference. From this table it will be seen that the work-load on each Railway is more than the optimum work-load for the prevailing pattern of organisation. This itself would indicate the necessity of reorganisation. What is more important is that generally there is a tendency for the work-loads to increase. This increase will be substantially more in future due to the activities envisaged in the Second Five Year Plan of the Railways. Moreover, the work-loads are worked out on the basis of the actual traffic handled. The general all-round increase in work due to the inadequacy of rail transport is not reflected in these figures which may, therefore, be taken as conservative estimates of the actual pressure of work. The general anxiety felt by the people about the size of the Railway units is, therefore, understandable. A number of proposals in this connection had been made to the Sub-Committees, while on tour. One suggestion was that the Metre-gauge portion of the Western Railway might form a separate unit with the Metre-gauge portion of the Northern Railway being attached to it, with Headquarters at Ahmedabad or Ajmer. Similarly, the Metre-gauge portion of the Southern Railway might form another self-contained unit. The general consensus of opinion was that the size of a Railway unit should not exceed 3,000 to 3,500 miles. The Committee have given very careful consideration to the debate in the Lok Sabha on the non-official resolution on this subject on the 25th November, 1955. They are glad to learn that the question of introducing the Divisional pattern on all the Railways has been engaging the serious attention of the Railway Ministry. As a matter of fact, they were informed by the representatives of the Railway Ministry during their discussions with them that they propose to introduce the Divisional system on all the Railways in about two years' time. This would no doubt increase the optimum work-load that can be handled by an individual Railway to 125. This step would no doubt assist in tackling this problem. However, the work-load imposed on individual Railways is likely to exceed the optimum limit of the Divisional pattern also. On three Railways it has already exceeded this limit. The question of re-arrangement of the existing Railway units into smaller units cannot, therefore, be avoided and will have to be faced at some stage or the other. The point to be considered is whether this question should be tackled now or at a later stage. It is no doubt a fact that any re-arrangement of the Railway Zones does create many knotty problems, especially in regard to the staff matters, e.g., their relative seniority, transfers etc. Doubts have, however, been expressed that if the Railway Zones are not reorganised now, with the increasing tempo of traffic during the Second Five Year Plan, the volume of work

would increase to such an extent that the re-arrangement of Railway Zones would become inevitable during the Second Five Year Plan period itself. In this connection, the Committee give below an extract from an article on "Railways and the Second Five Year Plan" by Shri I. S. Puri (ex-Financial Commissioner of Railways), in the "Statesman" dated 6th January 1956:

"The reorganisation called for in 1952 under the name of re-grouping has till now remained, to a large extent reorganisation on paper only. Genuine integration is still a long way off. If, therefore, any rearrangement is likely in the near future, it will involve fewer problems, if it is effected now than if it is put off till the administrative machinery begins to break under the mounting work-load and till re-arrangement cannot be put off any longer without grave risk to the country's economy."

"It is understood that when the railways were grouped into six systems, each administration was given the maximum load it could carry. Since then this load has increased. With the developments envisaged in the Second Five Year Plan, the operational load will be much heavier than it is now. The question is whether the existing railway groups can meet these requirements. If they cannot, reorganisation might be forced on them before we are through with the Second Plan. The railways will, in that case, be faced with all the problems which they rightly fear at a time when all their energies will be required for work of vital importance. In fact, it will be like having to regridder a bridge and at the same time being required to send more trains over it."

29. The Committee would, therefore, suggest that the question of appointing a high power technical committee to study this problem from all aspects and make suitable recommendations, be re-examined by the Railway Ministry. The Committee would also suggest that, when the high power technical committee is appointed, at least one non-official member with considerable experience in business should be associated with it. This high power technical committee will have to examine the entire question of reorganisation of Railway units dispassionately, based on certain fundamental principles.

30. The Committee give below certain principles enunciated by a retired Chief Commissioner of Railways and the Committee are in entire agreement with the same:

(i) No person on a Railway, whatever be his grade, from General Manager and Head of Department down to the humblest Class IV worker, should be called upon to carry a bigger charge than he can effectively control and administer;

(ii) Contact between the administrative officers and the executive and between the executive and the staff under their command should be close and such as will ensure not only effective supervision but will foster self-confidence and good understanding;

(iii) More, especially, officers and men in supervisory posts ought to have some free time at their disposal after completing their day's work when they can sit back and think;

(iv) Decentralisation should be extended to the point where it is possible to achieve speed of decision;

(v) The man on the spot must be given sufficiently adequate powers to discharge the responsibilities placed upon him and the structure should be so designed as to permit him to grow in initiative;

(vi) If the General Manager and his Heads of Departments are not to remain merely names to their staff, it is necessary that they should visit the remotest part of their charge at least once a year and show themselves to their staff. The machinery in Railway operation is essentially human in character and unless the human touch is deliberately maintained, the administrations must become impersonal and much of the good work which follows from a sense of traditional loyalty would be lost if the rank and file neither recognise nor are recognised by their top officers; and

(vii) Similarly, the size of the smallest executive unit must be such as will enable the executive Officer to get to know his men, guide and supervise them and make himself one with his team.

D. Problem of the Metre Gauge

31. Before leaving this question of the size of Railway Zones, the Committee would like to mention a word about the problem of the Metre Gauge. A detailed examination of the operation on Indian Railways indicated that the improvement in the performance of the Metre Gauge during the post-war period was, generally speaking, less than on the Broad Gauge. This is an indication that there is greater need for devoting more high level supervision on the Metre Gauge systems.

32. The mileages of individual Railways according to gauge are given below:

Railway	B. G.	M. G.	N. G.	Total
Central	4,091	772	424	5,287
Eastern (including South-Eastern Railway)	4,733	..	942	5,675
Northern	3,906	2,006	128	6,040
North-Eastern	2	4,726	72	4,800
Southern	1,763	4,159	102	6,024
Western	1,260	3,518	773	5,551
TOTAL	15,755	15,181	2,441	33,377

These mileages indicate that the North Eastern Railway is almost exclusively a Metre Gauge Railway. The total mileage on this Railway is 4,800 which is no doubt considerably less than the mileage on other Railways. However, the North Eastern Railway has its own peculiar problems, the most important one being that

this Railway stretches itself across the vast sub-Himalayan region, with the result that the effective control from the zonal headquarters at Gorakhpur, particularly in the extreme east covered by the Pandu region, becomes difficult. It is, therefore, necessary to post a sufficiently senior official at Pandu in overall charge of the Pandu Region. He should be more or less in the position of a *de facto* General Manager and should be able to take decisions on the spot without frequent reference to the Head Office. Only the questions of broad policy should be left to the General Manager at Gorakhpur. The Committee understand that a Regional Superintendent in overall charge of the Pandu Region has recently been provided. The Committee hope that this Officer will be given sufficiently wide powers to fulfil the requirements envisaged above.

33. Next is the question of the Western Railway. The Broad Gauge portion of this Railway is 1,260 and the Metre Gauge is 3,518. From this it will be seen that on this Railway the Metre Gauge portion predominates. Yet, the peculiarity of the Western Railway is that the zonal headquarters is situated at a terminal end of the Broad Gauge and at a considerable distance from the Metre Gauge portion. As the volume of traffic on the Broad Gauge is more than that handled by the Metre Gauge, there is a tendency for more attention being paid to the problems on the Broad Gauge and this has left a feeling in the areas served by the Metre Gauge that their problems are not being given sufficiently prompt and high level attention. There has been a very rapid industrial expansion in the areas served by the Metre Gauge. Similarly the Metre Gauge area is also served by six intermediate ports on the coast of Saurashtra besides the major port of Kandla. These create problems of their own as far as the feeding of these ports by rail is concerned. The Committee are, therefore, of the opinion that the Headquarters of the Railway should be situated at a station served by both Broad Gauge and Metre Gauge. It might be argued that this would involve additional expenditure for finding accommodation for the staff and office at the new Headquarters. This expenditure, however, can be adjusted against the amount that would be fetched by the Railway in making over their accommodation at Bombay to other Government departments. In view of the acute shortage of accommodation in Bombay, suitable disposal of present accommodation of the Western Railway Headquarters Office would not be difficult. Till the scrutiny and examination of the question of shifting of Headquarters is made and a decision thereon is taken, the Senior Deputy General Manager of the Western Railway should be posted at a station on the Metre Gauge, for instance Ahmedabad or Ajmer, and be in overall charge of the M.G. section.

34. As far as the Southern Railway is concerned, its problem is also somewhat similar to that of the Western Railway, because the Metre Gauge portion predominates over the Broad Gauge. Hence, the arrangement similar to the one suggested in the above paragraph may be made for the Southern Railway also, *viz.*, the Senior Deputy General Manager of the Railway should be posted at a station more centrally situated on the M.G. and be in overall charge of the M.G. section.

35. As the Metre Gauge portions on other Railways are comparatively less, no special machinery for them appears to be necessary at this stage. If, however, later on as a result of substantial increase in the workload on the Metre Gauge portions due to the increased activity in the areas concerned during the Second Five Year Plan, it becomes necessary, there should be no hesitation in providing additional high level supervision till the question of the revision of Railway Zones is decided.

E. Divisional, District and Regional Patterns of Organisation

36. The difference between the Divisional and District patterns of organisation on Railways has been nicely explained in the Report of the Kunzru Committee and the Committee give below the relevant extracts:—

“In considering this question it is as well to start by explaining exactly what we mean by a ‘divisional’ or a ‘departmental’ organisation. Clearly, in any large undertaking such as a railway, having widely varying activities and conducting these activities in many places, the work must be divided in two different ways; functional and regional. That is to say, that all the activities of the undertaking must first be classified and grouped and each group of activities must be entrusted to a set of Officers whose education and training has suitably equipped them for the discharge of their particular functional responsibilities. Then, the area in which the undertaking is operated must be divided into regions of such size that one Functional Officer can efficiently discharge his functional responsibilities throughout one region. Taking, therefore, an undertaking whose work is divided into four functions, A, B, C and D and extends over four regions, W, X, Y, and Z, the position on the ground will be as follows:—

DIAGRAM I

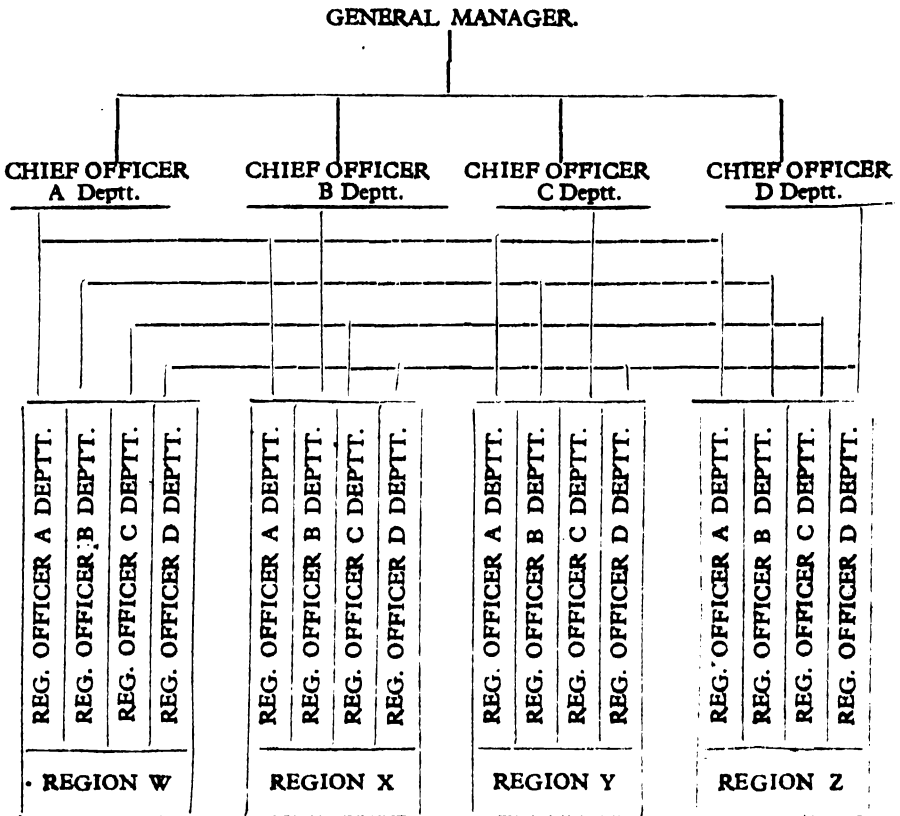
Reg. Officer A Br.	Reg. Officer B Br.	Reg. Officer C Br.	Reg. Officer D Br.	Reg. Officer A Br.	Reg. Officer B Br.	Reg. Officer C Br.	Reg. Officer D Br.	Reg. Officer A Br.	Reg. Officer B Br.	Reg. Officer C Br.	Reg. Officer D Br.	Reg. Officer A Br.	Reg. Officer B Br.	Reg. Officer C Br.	Reg. Officer D Br.
REGION W				REGION X				REGION Y				REGION Z			

“It should be noted that on a Railway the position is rarely quite so simple as this. For instance, each Region might require to be sub-divided between two Officers of Functions A, while one Officer of Function D might be able to look after his side of the work in two regions. But there is no need to complicate the diagram.”

"Next, an organisational system has to be contrived, so as to ensure that the work of all these officers can be suitably directed, co-ordinated and controlled. We assume a Head of the Executive, a General Manager, flanked by his group of functional advisers, whom we will call Chief Officer 'A', Chief Officer 'B', Chief Officer 'C' and Chief Officer 'D' and this brings us to the two main methods of linking up the chain of command, either functionally (departmentally) or regionally (divisionally).

"In a departmental organisation each Regional Officer is directly responsible to the Chief Officer of his particular function or department and the chain of command is like this:

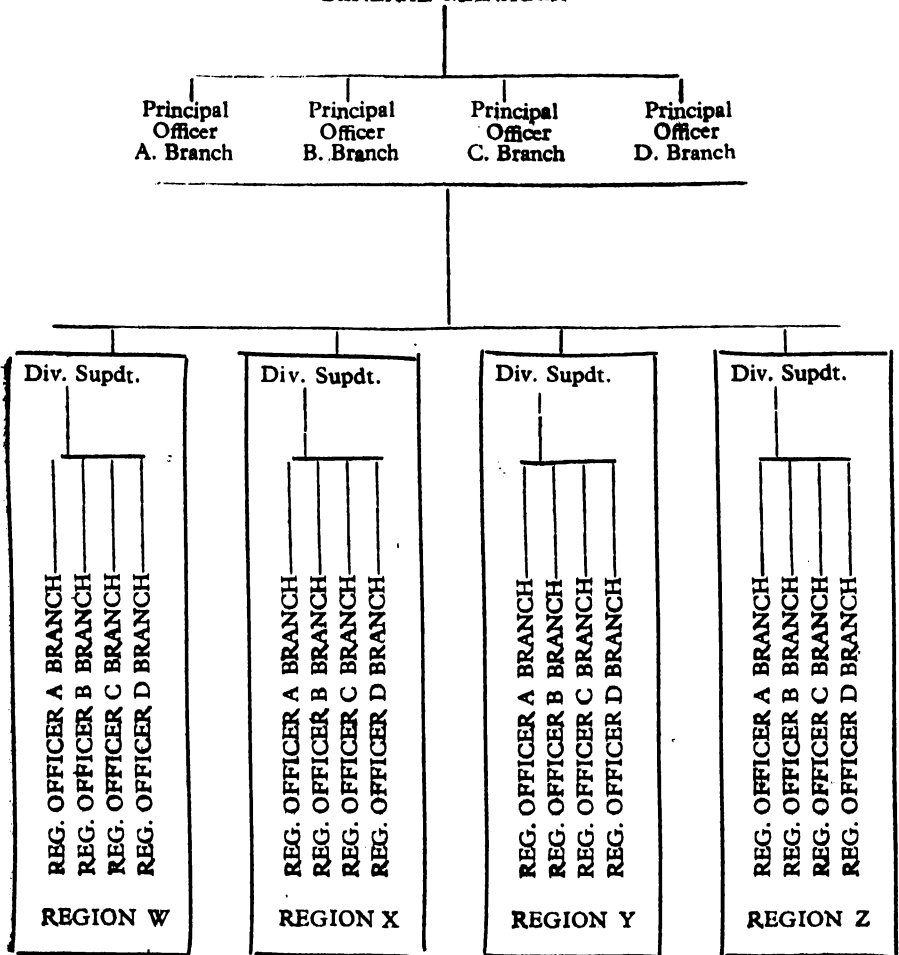
DIAGRAM II



"In a divisional organisation, however, a Divisional Superintendent is appointed for each Region to whom all Regional Officers in his region are responsible,

and the Divisional Superintendents are directly responsible to the General Manager, or rather what might be described as the "General Manager-in-Council" the General Manager and his principal Officers as the Chief Functional Advisors. The chain of command then becomes—

DIAGRAM III
GENERAL MANAGER



"In practice the 'Regions' in the diagram II would be smaller than in diagram III, that is to say, if a railway having a departmental organisation is divided into ten regions or districts, then the same railway under a divisional organisation might have only five divisions.

"These diagrams also serve to show the principal inherent advantages and disadvantages of the two systems. A departmental system provides for direct control of the regional officers by their respective functional or departmental chiefs, but there is no co-ordinating authority below the level of the General Manager. A

divisional system ensures co-ordination between the local functional Officers, but functional control from the top is indirect and therefore, weaker."

37. The district system of organisation is efficient for smaller Railway units, where the workload does not exceed the optimum limit of 80. The actual workload on all Indian Railways has already exceeded this limit and hence it is obvious that the district pattern of organisation has outlived its utility. In a railway unit of big size, control of a large number of districts from Head Office becomes difficult. In order to get over this difficulty at the time of regrouping, one more tier was introduced between the Head Office and the district called the 'regional tier'. This regional system has the same defect as the district system inasmuch as there is no central co-ordinating authority on the spot to co-ordinate the work of various regional Officers. This additional regional level has merely served to cause further delays in the disposal of work.

38. The divisional system of organisation has the following three main advantages:

- (i) In the case of any difference between Divisional Officers, there is a superior Officer on the spot available to decide the issue in question;
- (ii) A Divisional Superintendent is a sufficiently senior Officer and is, therefore, in a position to take quick decisions on the spot, instead of referring every matter to the Head Office. This tends to expedite the work; and
- (iii) The Divisional Superintendent is in overall charge of management of the area under his jurisdiction. He is more or less like a General Manager of his area. There is, therefore, greater scope for delegation of powers.

39. In view of the above advantages in favour of the divisional system and in view of the increasing complexity of problems that have to be tackled by the Railways, the Committee are definitely of the opinion that the divisional system should be introduced on all Indian Railways and that the process of divisionalisation should be expedited. Here the Committee would like to stress that, while introducing divisionalisation, sufficient care should be taken to see that the divisional unit chosen is not too big for efficient management by one Divisional Superintendent. Unless sufficient care is taken in this respect, a feeling similar to the one about the existing zones, is bound to arise, viz., that the divisional units are too unwieldy.

40. The Committee understand that there is a proposal to convert four districts of the Western Railway, viz., Jambhagar District, Junagadh District, Bhavnagar District and Abu District into two divisions. This would mean that each division will have more than 900 miles of jurisdiction, which would be rather unwieldy. The Committee are of the opinion that these four districts should be converted into at least three divisions. It is true, no doubt, that apart from the route mileage of a Division, other factors such as number of stations, number of staff, volume of traffic etc. should also be taken into consideration. Subject to

these considerations, the normal size of a division should be in the region of 500 to 700 miles and not more.

F. Supervision at Inspectorial Level

41. In this connection, the Committee quote below the following pertinent observations of the Railway Corruption Enquiry Committee, with which they are in entire agreement:

"In various departments of the Railways, there are inspectorial staff, who are assigned particular jurisdiction and who are primarily responsible for ensuring that the work of the area under them is efficiently done in accordance with the rules and instructions laid down from time to time. We feel, and this view is also confirmed by the Accidents Enquiry Review Committee that under present conditions, the jurisdiction assigned to different categories of Inspectors is in many cases excessive. This jurisdiction should, therefore, be suitably revised."

G. Separation of the Ministries of Railways and Transport

42. A detailed study of the various aspects of working of the Railways has shown that the volume of work handled by the Railway Ministry is tremendous. The Railway Ministry has to tackle many complex problems of rail transport covering the route mileage of about 34,000 miles. They control the destiny of about 10 lakhs of railway employees. The capital at charge of Indian Government Railways is more than Rs. 800 crores and their annual gross earnings are more than Rs. 270 crores. The annual working expenses of Indian Government Railways are more than Rs. 230 crores. This would give a rough indication of the magnitude of the various complex problems handled by the Railway Ministry from day to day. Moreover, the position is further complicated by the fact that the resources at the disposal of the Railway Ministry are inadequate to cope with the increasing demand of traffic. The Railways will, therefore, have to launch a gigantic programme of expansion and development in the Second Five Year Plan involving about one fourth of the expenditure of the country's entire Plan. The Committee are, therefore, of the opinion that problems of Railway Ministry to be handled at the Ministerial level during the Second Five Year Plan will be of such a magnitude as to demand full and undivided attention of the Minister assisted by at least one or two competent lieutenants. It would, therefore, be extremely unfair to add the burden of the Transport Ministry to the shoulders of the Minister for Railways. The transport facilities in the country are extremely limited. It will, therefore, be necessary to devote considerable high level attention to the problems of transport such as river navigation, shipping, national highways, tourism, etc. The Committee, therefore, recommend that the Transport Ministry should be separated from the Railway Ministry and placed under the charge of a separate Minister for Transport.

H. Miscellaneous

(a) *Periodical meetings of the Railway Board with General Managers:*

43. The Committee understand that the Chairman and the

Members of the Railway Board do hold meetings with the General Managers and discuss important questions on policy matters and other matters of common interest to all the Railways. These meetings are, however, not held as a regular feature. The Committee recommend that such periodical meetings should be held at regular intervals to ensure better co-ordination amongst all the General Managers of Indian Railways. They also recommend that the Chairman and Members of the Railway Board should undertake frequent tours to enable them to study important problems on the spot and also give the benefit of their advice to the General Managers and Heads of Departments. These tours will also enable them to keep in contact with the representatives of trade and industry and the general public and appreciate their difficulties. This would be possible only if the Chairman and the Members of the Railway Board are relieved from details of day-to-day administration. The Committee have already suggested how this should be achieved.

(b) Abolition of the post of Director, Rail Movement, Calcutta:

44. There is a post of Director, Rail Movement, Calcutta. This Officer is under the direct control of the Railway Board and is responsible for ensuring efficient co-ordination of movement of traffic between Calcutta area on the one hand and North Bihar, North Bengal and Assam on the other. The existence of this post was necessary, especially when the workload of the Headquarters of the old Eastern Railway was abnormally heavy due to the amalgamation of the old B.N.R. and four lower divisions of the old East Indian Railway. Now with the bifurcation of the Eastern Railway into two Railways workloads on the bifurcated railways have reduced considerably and the Committee feel that there is no justification for continuing this post. They, therefore, recommend the abolition of this post.

(c) The Tank Wagon Controller's Organisation, Bombay:

45. Now that the Wagon Chaser Organisation has been set up on each Railway this work of keeping track of all Tank Wagons and keeping them moving should be assigned to this Organisation and the post of the Tank Wagon Controller, Bombay should be abolished.

(d) Management of Vizag Port:

46. The Committee do not see any special justification for the retention of Vizag Port under the management of Railway Ministry and they recommend that it should be handed over to the Ministry of Transport.

BALVANTRAY GOPALJEE MEHTA,

Chairman,

Estimates Committee.

NEW DELHI;

The 24th January, 1956.

APPENDIX I

STATEMENT SHOWING THE ACTUAL EXPENDITURE ON SUBORDINATE AND ATTACHED OFFICES OF THE RAILWAY BOARD DURING THE YEARS 1938-39, 1946-47 AND 1951-52 TO 1955-56.

Serial No.	Name of the Office	(Rupees in thousands)					Budget Estimates for 1955-56	Percentage increase or decrease of 1954-55 over 1952-53 (first year after complete regrouping)	
		1938-39	1946-47	1951-52	1952-53	1953-54			1954-55
1.	Central Standards Office	4,38	5,49	8,68	10,95	11,13	13,26	14,85	21%
2.	Railway Testing and Research Centre	..	1,90	6,13	5,72	10,35	12,21	16,87	113%
3.	Railway Rates Tribunal	77	*	1,80	1,60	1,68	1,72	2,10	7.5%
4.	Railway Liaison Office	..	..	90	87	70	89	92	2%
5.	Tank Wagon Controller	..	..	10	69	80	86	78	25%
6.	Security Adviser, Railway Board	..	..	..	..	34	79	84	†
7.	Railway Staff College, Baroda	..	..	8,88	4,10	8,43	7,53	8,81	84%
8.	Railway Service Commission, Allahabad	..	..	..	..	38	1,61	1,85	††

9. Railway Service Commission, Bombay	3,36	2,99	2,85	2,26	2,70	-25%
10. Railway Service Commission, Calcutta	72	2,43	2,34	2,37	2,49	-2%
11. Railway Service Commission, Madras . . . . .	..	..	49	1,85	1,93	††
12. Indian Railway Conference Association	3,77	7,42	12,41	11,51	13,75	13,90
						10%

*Not available.

†The Security Adviser's Organisation was created from 27th July, 1953.

††The Commission started functioning on 1-12-1953.

APPENDIX III

CHART INDICATING THE VARIOUS ZONAL RAILWAYS AND OTHER ATTACHED AND SUBORDINATE OFFICES UNDER

THE RAILWAY BOARD

RAILWAY BOARD

(As on 16-1-1956).

Ind an Rlys.	Railway Projects	Other Technical Offices	Rly. Service Commissions
C. E. N. N.E. S. S.E. W.	C.L.W. I.C.F. G.B.P.	C.S.O. I.G.R.P.F. R.T.R.C. Rly. R.R.T. R.L.O. Staff College Baroda.	Allahabad Bombay Calcutta Madras
C	Central Railway.		
E	Eastern Railway.		
N	Northern Railway.		
N.E.	North Eastern Railway.		
S	Southern Railway.		
W	Western Railway.		
S.E.	South Eastern Railway.		
C.L.W.	Chittaranjan Locomotive Works, Chittaranjan.		
I.C.F.	Integral Coach Factory, Perambur, Madras. 1 4		
G.B.P.	Ganga Bridge Project, Mokameh.		
C.S.O.	Central Standards Office, New Delhi.		
I.G.R.P.F.	Inspector General Railway Protection Force, Allahabad.		
R.T.R.C.	Railway Testing and Research Centre, Lucknow.		
R.R.T.	Railway Rates Tribunal, Madras.		
R.L.O.	Railway Liaison Officer, New Delhi.		

APPENDIX IV

STATEMENT SHOWING THE SUMMARY OF CONCLUSIONS/ RECOMMENDATIONS OF THE ESTIMATES COMMITTEE RELATING TO THE MINISTRY OF RAILWAYS—GENERAL ADMINISTRATION.

Serial No.	Reference to Para Number in the Report	Summary of Conclusions/Recommendations
1	2	3
1	20	The Committee feel that with less than three months left to launch the Second Five Year Plan, any radical change in the Central Controlling Authority of the Railways will have far reaching repercussions and will adversely affect the progress of the Plan. The Committee, therefore, do not suggest any radical change of this nature.
2	21	The Committee feel that consultations between the various Ministries and the Ministry of Railways should not necessarily result in abnormal delays. A special watch by the Organisation and Methods Division over the cases requiring prior consultations with other Ministries will go a long way in minimising delays.
3	22	The Committee consider that the Zonal Consultative Committees as at present constituted, are too unwieldy a body and therefore suggest that there should be a Council of Advisers consisting of not more than 5 individuals to advise the General Manager in different matters pertaining to the administration of the Railway. The President of the recognised Union of the Railway should also be included in the Council so that the questions pertaining to staff matters might also be discussed at the meetings of the Council, which should be held once a month. The other members should be selected by the Minister for Railways from amongst retired experienced administrators, prominent public men with business experience and legislators who have specialised in transport problems of the country. The functions of this Council will be purely advisory in character and the General Manager will be free to take his own decision

1

2

3

after giving due weightage to the advice tendered by the Council. There should be similar Advisory bodies at Regional, Divisional and District levels also.

4

23

In order to control and direct the huge expenditure that would have to be incurred in the Second Five Year Plan and to ensure that proper results are achieved, the Committee are of the opinion that the Railway Board should be strengthened by one additional Member. He should be a Member (Civil Engineering), for which the Chairman, Railway Board, is at present incharge. The Committee feel that this work should be assigned to a separate Member and the Chairman should be free to co-ordinate the work of the various Members and to advise the Minister on policy matters. He should also be incharge of the Planning Section of the Railway Board and the Efficiency Bureau.

5

24

The Committee would also suggest that the question of assigning the work of day-to-day administration and co-ordination to a separate wing in the Railway Board's Office might be considered with advantage. This would leave greater freedom to the Members of the Railway Board to give more prompt attention to matters of policy. This can be achieved only, if some of the Directors concerned in the Board's Office are given the status of the General Managers so that they can 'direct' the activities of the General Managers, give them necessary technical advice and co-ordinate their work effectively without making frequent references to the Members of the Railway Board.

6

28

The Committee are glad to learn that the question of introducing divisional pattern of administration on all the Railways has been engaging the serious attention of the Railway Ministry. The Committee were informed that the divisional system would be introduced on all the Railways in about 2 years' time.

7

29 & 30

The Committee suggest that the question of appointing a high power technical committee to study the problem of the reorganisation of Railway Zones from all aspects and to make suitable recommendations, be re-examined by the Railway Ministry.

The Committee would also suggest that at least one non-official member with considerable experience in business should be associated with the high power technical committee. The technical committee

1

2

3

will have to examine the entire question of reorganisation of railway units dispassionately based on certain fundamental principles, *e.g.* :

- (i) No person should be called upon to carry a charge bigger than he can effectively control and administer ;
- (ii) Contact between the Administrative Officers and the Executive and the Staff under their command should be close and effective;
- (iii) More especially, Supervisory Officers, should have time at their disposal for 'thinking';
- (iv) Decentralisation should be extended to the point where it is possible to achieve speedy decisions ;
- (v) The man on the spot must be given sufficiently adequate powers to discharge the responsibilities placed upon him and the structure should be so designed as to permit him to grow in initiative;
- (vi) The General Manager and his Heads of Department should visit the remotest part of their charge at least once a year and show themselves to their staff ; and
- (vii) The size of the smallest executive unit must be such as will enable the executive officer to get to know his men, guide and supervise them and make himself one with his team.

8

32

The Committee understand that a Regional Superintendent in overall charge of the Pandu Region of the North-Eastern Railway has recently been provided and hope that he will be given sufficiently wide powers to take decisions on the spot without having to make frequent references to the Head Office at Gorakhpur. Only the questions of broad policy should be left to the General Manager at Gorakhpur.

9

33

The Committee are of the opinion that the Headquarters of the Western Railway should be situated at a station served by both Broad Gauge and Metre Gauge. The additional expenditure for finding accommodation at the new station can be adjusted against the amount that would be fetched in making over the present accommodation in Bombay to other Government Departments. Till the scrutiny and examination of the question of shifting of Headquarters is made and a decision thereon is taken, the senior Deputy General Manager of the

-
- | | | |
|---|---|---|
| I | 2 | 3 |
|---|---|---|
-
- Western Railway should be posted at a station on the Metre Gauge, for instance, Ahmedabad or Ajmer and be in overall charge of the M. G. section.
- 10 34 As far as the Southern Railway is concerned, the Committee recommend that the senior Deputy General Manager should be posted at a station more centrally situated on the M. G. and he should be in overall charge of the M. G. Section.
- 11 35 As the Metre Gauge portions of other Railways are comparatively less, no special machinery for them appears to be necessary at this stage. If, however, later, as a result of substantial increase in the work load on the Metre Gauge portions due to the increased activity in the areas concerned during the Second Five Year Plan, it becomes necessary, there should be no hesitation in providing additional high level supervision till the question of the revision of railway zones is decided.
- 12 39 In view of the distinct advantages of the divisional system and in view of the increasing complexity of problems that have to be tackled by the Railways, the Committee are definitely of the opinion that the divisional system should be introduced on all Indian Railways and that the process of divisionalisation should be expedited but care should be taken to see that the divisional unit chosen is not too big for efficient management by one Divisional Superintendent.
- 13 40 The Committee understand that there is a proposal to convert the four districts of the Western Railway into two divisions each having more than 900 miles of jurisdiction, which would be rather unwieldy. The Committee are of the opinion that these four districts should be converted into at least three divisions. Subject to other consideration such as the number of stations, number of staff, volume of traffic handled etc., the normal size of a division should be in the region of 500 to 700 miles and not more.
- 14 41 The Committee are in entire agreement with the observations of the Railway Corruption Enquiry Committee that the existing jurisdiction assigned to different categories of Inspectors is in many cases excessive, and should, therefore, be suitably revised.
- 15 42 Considering the gigantic programme of expansion and development of the Railways in the Second Five Year Plan, the Committee are of the
-

1

2

3

opinion that problems of Railway Ministry to be handled at the Ministerial level will be of such a magnitude as to demand full and undivided attention of the Minister assisted by at least one or two competent lieutenants. The Committee, therefore recommend that the Transport Ministry should be separated from the Railway Ministry and placed under the charge of a separate Minister for Transport.

- 16 43 The Committee recommend that the periodical meetings should be held by the Railway Board at regular intervals with the General Managers of all Railways with a view to ensuring better co-ordination. The Committee also recommend that the Chairman and the Members of the Railway Board should undertake frequent tours to enable them to study important problems on the spot, give their advice to the General Managers and Heads of Departments and to keep contact with the representatives of the Trade and Industry and the general public and appreciate their difficulties.
- 17 44 With the bifurcation of the Eastern Railway into two Railways, workloads on the bifurcated Railways have reduced considerably. The Committee feel that there is no justification for continuing the post of the Director, Rail Movement, Calcutta. The Committee recommend the abolition of this post.
- 18 45 As the Wagon Chaser Organisation has been set up on each Railway, the Committee recommend that the work of keeping track of all tank wagons and keeping them moving should be assigned to this Organisation and that the post of the Tank Wagon Controller Bombay should be abolished.
- 19 46 The Committee do not see any special justification for the retention of Vizag Port under the management of the Railway Ministry and they recommend that it should be handed over to the Ministry of Transport.