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**RAILWAY CONVENTION COMMITTEE
(2014)**

**MINISTRY OF RAILWAYS
(RAILWAY BOARD)**

[Action Taken by Government on the Observations/
Recommendations of the Committee contained
in their Eleventh Report (Sixteenth Lok Sabha)
on Exploring PPP Avenues in
Railway Infrastructure]

(SIXTEENTH LOK SABHA)



**LOK SABHA SECRETARIAT
NEW DELHI**

March, 2018/Phalgun, 1940 (Saka)

TWENTY FIRST REPORT
RAILWAY CONVENTION COMMITTEE
(2014)

(SIXTEENTH LOK SABHA)

MINISTRY OF RAILWAYS
(RAILWAY BOARD)

[Action Taken by Government on the Observations/Recommendations of the
Committee contained in their Eleventh Report (Sixteenth Lok Sabha) on
Exploring PPP Avenues in Railway Infrastructure]

Presented to Lok Sabha on 15.03.2018
Laid in Rajya Sabha on 15.03.2018



LOK SABHA SECRETARIAT
NEW DELHI

March, 2018/Phalguna, 1939-40 (Saka)

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COMPOSITION OF THE RAILWAY CONVENTION COMMITTEE
(2014)

Shri Bhartuhari Mahtab— *Chairperson*

MEMBERS

Lok Sabha

2. Shri Abhishek Banerjee
3. Shri Sanganna Amarappa Karadi
4. Shri K. Ashok Kumar
5. Shri Kamalbhan Singh Marabi
6. Vacant*
7. Vacant**
8. Shri Janak Ram
9. Shri Rahul Ramesh Shewale
10. Shri Bharat Singh
11. Shri Liladharbhai Khodaji Vaghela
12. Shri K.C. Venugopal

Rajya Sabha

13. Vacant***
14. Shri T.K. Rangarajan
15. Shri Prem Chand Gupta
16. Shri Abdul Wahab
17. Shrimati Vandana Chavan
18. Shri Ranvijay Singh Judev

SECRETARIAT

1. Shrimati Kavita Prasad — *Joint Secretary*
2. Shri M.K. Madhusudhan — *Director*
3. Shri D.R. Mohanty — *Additional Director*

* Vacancy occurred w.e.f. 05th July, 2016 vice Smt. Anupriya Patel was appointed MoS.

** Vacancy occurred w.e.f. 14th December, 2017 vice Sh. Nana Patole resigned from Lok Sabha.

*** Vacancy occurred w.e.f. 18th August, 2017 vice Shri Derek 'O' Brien retired from Rajya Sabha.

INTRODUCTION

I, the Chairperson, Railway Convention Committee (2014), having been authorized by the Committee, present this Twenty First Report on Action Taken by Government on the Observations/Recommendations of the Committee contained in their Eleventh Report (Sixteenth Lok Sabha) on Exploring PPP Avenues in Railway Infrastructure.

2. The Eleventh Report was presented to Lok Sabha and also laid in Rajya Sabha on 31 March, 2017. The Ministry of Railways (Railway Board) furnished their replies on 13 October, 2017 indicating Action Taken on the Observations/Recommendations contained in the Eleventh Report. The Committee at their sitting held on 14 March, 2018 considered and adopted this Report.

3. An analysis of the action taken by the Government on the Observations/Recommendations contained in the Eleventh Report (Sixteenth Lok Sabha) of the Railway Convention Committee (2014) is given at Appendix-II.

4. For ease of reference, the Observations/Recommendations of the Committee have been printed in bold letters in the Report.

NEW DELHI;
14 March, 2018

23 Phalgun, 1939-40 (Saka)

BHARTRUHARI MAHTAB,
Chairperson,
Railway Convention Committee.

CHAPTER I

REPORT

This Report deals with action taken by Government on the Observations/ Recommendations of the Committee contained in their Eleventh Report (Sixteenth Lok Sabha) on the subject 'Exploring PPP Avenues in Railway Infrastructure'.

2. The Eleventh Report was presented to Lok Sabha on 31 March, 2017 and also laid in Rajya Sabha on the same day. It contained 14 Observations/ Recommendations. Replies of Government in respect of all the Observations/ Recommendations have been received and are categorized as under:—

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

Rec. Para Nos. 1, 2, 3, 4, 5, 6, 8, 9, 10, 11, 12, 13 & 14.

Total: 13

Percentage: 92.8%

- (ii) Observations/Recommendations which the Committee do not desire to pursue in view of the Government's reply:

Rec. Para No. Nil

Total: Nil

Percentage: Nil

- (iii) Observations/Recommendations in respect of which replies of the Government have not been accepted by the Committee and which require reiteration:

Rec. Para No. 7.

Total: 01

Percentage: 7.2%

- (iv) Observations/Recommendations in respect of which replies of the Government are interim in nature:

Rec. Para No. Nil

Total: Nil

Percentage: Nil

3. The Committee desire that Action Taken Note in respect of the Observations/ Recommendations contained in Chapter I of this Report be furnished to them at the earliest.

4. The Committee will now deal with some of their earlier Recommendations which either require reiteration or merit further comments based on the replies received from the Government.

I. Opening of Container Train Sector to the Private Operators.

Recommendation (Para No. 4)

5. In their Eleventh Report, the Committee had observed that subsequent to the opening of running container trains in favour of the Private Operators, loading of containers on Indian Railways had shown increasing trends since 2007-08 besides enabling more revenue earning. Appreciating the positive effect of the decision of the Ministry, the Committee had desired that efforts be made to rope in more Private Operators to run container trains so as to assure further increase in the loading capacity and revenue earning.

6. In their Action Taken Note, the Ministry have submitted as under:

“All Zonal Railways have been advised to make more efforts to rope in more Private Operators to run the container trains so that there is further increase in the loading capacity and revenue earning for the Indian Railways (copy enclosed).”

7. The Committee are pleased to note that pursuant to their recommendation, the Railway Board has advised all the Zonal Railways to make more efforts to rope in more Private operators to run the container trains so as to facilitate further increase in the loading capacity and revenue earnings for the Indian Railways. While appreciating the commendable alacrity displayed by the Ministry, the Committee desire that periodical monitoring be done to ensure that the Zonal Railways are actually adhering to the considered advice given by the Railway Board.

II. Wagon Leasing Scheme

Recommendation (Para No. 6)

8. In their earlier Report, the Committee had observed that under the Wagon Leasing Scheme, permission had been accorded to two private companies for procurement of 24 rakes out of which 13 rakes had already been inducted. The Committee desired the Ministry to impress upon the companies to procure the remaining 11 rakes for their early induction in Indian Railways. The Committee further recommended that the Railways should favourably consider the request of the Department of Posts for more space in Mail/Express trains for transportation of postal traffic so as to enable the Railways to earn more revenue.

9. The Ministry, in their Action Taken Note, have responded as under:

“Noted. So far approval under Wagon Leasing Scheme (WLS) has been given for procurement of 24 rakes, out of which 14 rakes has been inducted and 10 to be inducted. Postal traffic is presently being transported by rail as under:—

- (a) Dedicated postal vans of Department of Posts attached in different coaching trains.
- (b) Earmarked dedicated GS coaches (1/4th, half or full) for transportation of mail for Postal department.

- (c) Mail bag having letters transported in second cum luggage van (SLRs) of coaching trains.

Department of Posts request for additional accommodation for transportation of postal traffic has been met favourably. Accordingly, it has been decided to provide space in Assistant Guard Cabin of front SLR for transportation of postal traffic in the following trains:

- (i) 15959 Howrah-Guwahati-Dibrugarh Kamrup Express (From Howrah to Guwahati) *w.e.f.* 20.02.2017.
- (ii) 12721 Hyderabad-Nizamuddin Express (From Hyderabad to Nizamuddin) *w.e.f.* 01.02.2017.
- (iii) 12322 Mumbai-Howrah Mail (From Mumbai to Howrah) *w.e.f.* 27.02.2017.

Further, regular discussions are on with Department of Posts for utilisation of vacant accommodation in trains on IR. A list of 625 trains has been provided to Department of Posts where adequate parcel space is available and the prevalent rates are in the lowest scale.”

10. The Committee note that so far approval under Wagon Leasing Scheme has been given for procurement of 24 rakes out of which 14 rakes have been inducted. As the Scheme’s aim is to induct high capacity and special purpose wagons including wagons for container movement, the Committee recommend that induction of the remaining 10 rakes on Indian Railways be expedited.

11. The Committee are glad to note that pursuant to their considered suggestion, the request of the Department of Posts for additional accommodation for transportation of postal traffic has been met favourably by the Ministry of Railways. Accordingly, it has been decided to provide space to the DoP in Assistant Guard Cabin of front SLR coaches in two Express and one Mail Train. Moreover, a list of 625 trains have been provided to DoP where adequate parcel space is available and the prevalent rates are in the lowest scale. The Committee trust that the Railways would continue considering allocation of vacant and additional space to the Department of Posts, as per their requirement, for transportation of postal traffic so that both the Government Departments are benefited.

III. Automobile Freight Train Operator Scheme

Recommendation (Para No. 7)

12. In their Eleventh Report, the Committee had observed that under the Automobile Freight Train Operator Scheme approval had been given to two private companies for procurement of 21 rakes out of which 9 rakes had already been inducted and are running on Indian Railways. Taking into account a steady increase in the revenue earning from the implementation of the scheme, the Committee desired that the Ministry should consider according approval for procurement and induction of more such rakes on Indian Railways.

13. The Ministry, in their Action Taken Note, have stated as under:

“Noted. So far approval under Automobile Freight Train Operator (AFTO) Scheme has been given for procurement of 21 rakes, out of which 09 rakes has been inducted and 12 to be inducted.”

14. The Committee are deeply concerned to find that there has been no progress in induction of additional rakes under the Automobile Freight Train Operator Scheme, between the presentation of the Committee’s earlier Report and submission of Action Taken Notes by the Ministry. In view of the fact that there has been substantial increase in the revenue earnings of the Railways through the implementation of the scheme, the Committee exhort the Ministry to accord urgency to induct the remaining 12 rakes at an early date so that Railways’ market share in transportation of automobile is increased thereby facilitating earning more revenue.

IV. Redevelopment of Stations

Recommendation (Para No. 10)

15. In their earlier Report, the Committee had noted that as part of the redevelopment of 407 ‘A-1’ and ‘A’ Category stations, 23 such stations had been identified at the first phase, out of which bids for 21 stations had already been invited. Taking into account the intended provision of amenities of international standards to the passengers and general public and the revenue earning potential of the Station Redevelopment Scheme, the Committee impressed upon the Ministry to speed up the process of handing over the selected 23 stations to the developers so that all the 407 stations were redeveloped phase wise and in a time-bound manner.

16. In their Action Taken Note, the Ministry have deposed as under:

“Railways had organized several Workshops, Meetings, Road Shows etc. with prominent prospective bidders/stakeholders to share their views. Model Invitation Documents, Bid Documents, Development agreement and Station Facility Management Agreement were prepared. Due to concerted efforts made by Railways, proposals (bids) for all the 23 stations have been invited. Weekly progress review meetings are held between officers of Zonal Railways and Ministry of Railways for exchange of ideas and to review the progress of station redevelopment project. More stations will be taken up for redevelopment in the subsequent phases, once the bidding process for the 1st phase is completed.”

17. The Committee appreciate that due to concerted efforts made by the Railways, proposals (bids) for redevelopment of 23 stations have been invited and weekly progress review meetings are being held. The Committee desire the Ministry to impress upon the Zonal Railways to complete the bidding formalities of the 23 stations at an early date so that work for redevelopment commences expeditiously and more stations are taken up for redevelopment in a targetted and time-bound manner.

CHAPTER II

OBSERVATIONS/RECOMMENDATIONS WHICH HAVE BEEN ACCEPTED BY THE GOVERNMENT

Recommendation (Para No. 1)

The Committee note that for capacity augmentation and modernisation, Indian Railways require Rs. 8.56 lakh crore between 2015 and 2019, out of which approximately Rs. 1.2 lakh crore is estimated to be mobilised from Extra Budgetary Resources (EBR)/partnership including Public Private Partnership (PPP). Five models of PPP viz. Non-Government Railway (NGR), Joint Venture (JV), Customer Funded, Build, Operate and Transfer (BOT) and Annuity models have been provided through the Participative Policy issued in December, 2012 to increase private investment and also to attract greater participation from the Private Sector in rail connective projects. The Committee were informed that till now the JV model has elicited a good response and has enabled mobilisation of substantial private investment in the development of Railway Infrastructure. Further, the Annuity model which involves relatively lesser risk to the potential investors is likely to attract more private investment in future than the other PPP models. As the Railways require huge amount of funds for capacity augmentation and modernisation and the PPP mechanism has the potential to facilitate substantial generation of such resources, the Committee would like the Ministry to explore more PPP models with special emphasis on JV and Annuity models which have already enabled and likely to attract more private investment in rail connectivity projects. The Committee are also of the considered opinion that since the Ministry have taken a conscious and prudent decision to attract private investment for capacity augmentation, it has to be ensured that the PPP policy is effected in a seamless manner.

Reply of the Government

For effective implementation of the PPP Policy, MoR has put in place an institutional arrangement by creating a dedicated PPP Cell within the Infrastructure Directorate of Railway Board. It has also nominated Nodal Officers at the Zonal Railways level for implementation of Participative Policy. Zonal Railways have also been delegated with adequate functional autonomy to accept and process the PPP project proposals of prospective investors, examine and approve the DPR of the Projects, obtain necessary clearance from Railway Board and to monitor implementation of the projects.

[Ministry of Railways, Railway Board O.M. No. 2015/RCC(2014)/204/7
dated 13.10.2017]

Sd/-

(B.K. Singh)

Executive Director Finance (E)

Recommendation (Para No. 2)

The Committee observe that between 2002 and 2012, seven port connectivity projects had been implemented adding approximately 950 kms. of railway line and bringing in an investment of approximately Rs. 3000 crore out of which Railway's equity contribution being only Rs. 400 crore approximately. The Committee further note that between 2012 and 2016, two port connectivity projects of an estimated value of Rs. 900 crore have already been implemented and three more projects of an estimated value of Rs. 3900 crore are under implementation. In view of the substantial public private investment in the above said projects, the Committee urge the Ministry to expedite the completion of the three JV projects in hand *i.e.* Obulavaripalle-Venkatachalam New Line, Anugul-Sukinda New Line and Haridaspur-Paradip New Line so that Railway's capacity augmentation takes place as per the schedule. The Committee also desire that the 16 rail connectivity projects that have been initiated under the Participative Policy 2012 with an estimated investment generation of approximately Rs. 10,000 crore be accorded equal priority to fructify the objectives of the policy.

Reply of the Government

The concern of the Committee for implementation of Obulavaripalle—Venkatachalam (New Line), Angul—Sukinda (New Line) and Haridaspur—Paradip (New Line) is noted. The concerned Zonal Railways and Rail Vikas Nigam Limited (RVNL), the participating PSU (in the SPV) have been advised to make all out efforts to ensure timely implementation of the indicated projects. Further, as regards the 16 rail connectivity projects that have been initiated under the Participative Policy, Ministry of Railways has been according high priority for progress on these identified projects.

[Ministry of Railways, Railway Board O.M. No. 2015/RCC(2014)/204/7
dated 13.10.2017]

Sd/-
(B.K. Singh)
Executive Director Finance(E)

Recommendation (Para No. 3)

The Committee appreciate that under the Private Freight Terminal (PFT) scheme which was launched in 2010 and revised in 2012, 41 Terminals have already been commissioned for commercial working and 40 more Terminals are under various stages of construction. As the PFT Scheme aims to facilitate development of a network of Freight Terminals with private investment and provide efficient and cost effective logistic services, the Committee recommended that the completion and commercial commissioning of the 40 PFTs be speeded up so as to serve the very purpose of the Scheme.

Reply of the Government

Noted. Currently, 49 private freight terminals have been notified and commissioned for commercial working and in-principle approval has been given for 40 proposals and 14 proposals are under consideration.

[Ministry of Railways, Railway Board O.M. No. 2015/RCC(2014)/204/7
dated 13.10.2017]

Sd/-
(B.K. Singh)
Executive Director Finance(E)

Recommendation (Para No. 4)

The Committee note that running of container train which was the monopoly of CONCOR, a PSU of the Railways, was thrown open to private operation in the year 2006 as a result of which 16 private operators entered the field. It is heartening to observe that subsequent to the opening up of the sector to Private Operators, loading of containers on Indian Railways since 2007-08 has shown increasing trends except for the FY 2015-16. What is more encouraging is the steady increase in the revenue earning throughout this period. While appreciating the effect of the decision taken by the Ministry, the Committee desire that efforts be made to rope in more Private Operators to run the container trains so that there is further increase in the loading capacity and revenue earning for the Indian Railways.

Reply of the Government

All Zonal Railways have been advised to take more efforts to rope in more Private Operators to run the container trains so that there is further increase in the loading capacity and revenue earning for the Indian Railways (copy enclosed).

[Ministry of Railways, Railway Board O.M. No. 2015/RCC(2014)/204/7
dated 13.10.2017]

Sd/-
(B.K. Singh)
Executive Director Finance(E)

Comments of the Committee

Please see Para No. 7 in Chapter I

Recommendation (Para No. 5)

The Committee note that the policy for Liberalised Wagon Investment Scheme (LWIS), which allows investment by end users in special purpose and high capacity wagons, was issued in 2008 and revised in 2012 to make the scheme more customer friendly. Under the scheme, approval has been given for procurement of 68 rakes by 14 firms out of which 31 rakes have already been procured. As the estimated investment by the LWIS participants is a substantial amount *i.e.* Rs. 1535 crore, the Committee impress upon the Ministry to facilitate procurement of the remaining 37

rakes by the participants besides according approval for procurement of more rakes by various firms so that more Investment is made in Railways capacity augmentation programme.

Reply of the Government

Noted. So far approval under Liberalised Wagon Investment Scheme (LWIS), has been given for procurement of 68 rakes, out of which 41 rakes have been inducted and 27 to be inducted.

[Ministry of Railways, Railway Board O.M. No. 2015/RCC(2014)/204/7
dated 13.10.2017]

Sd/-
(B.K. Singh)
Executive Director Finance(E)

Recommendation (Para No. 6)

Another policy issued under PPP in 2008, is the Wagon Leasing Scheme (WLS) which was launched to introduce the concept of leasing of railway wagons on Indian Railways. The Committee find that the scheme aims to induct high capacity and special purpose wagons and also wagons for container movement and pursuant to that permission has been accorded to two private companies for procurement of 24 rakes out of which 13 rakes have already been inducted. The Committee would like the Ministry to impress upon the companies to procure the remaining 11 rakes for their early induction on Indian Railways. Further, in view of the repeated request of the Department of Posts for more space in Mail/Express trains for transportation of postal traffic, the Committee desire the Ministry to favourable consider such requests of the Department of Posts so that Railways earn more revenue.

Reply of the Government

Noted. So far approval under Wagon Leasing Scheme (WLS) has been given for procurement of 24 rakes, out of which 14 rakes have been inducted and 10 to be inducted. Postal traffic is presently being transported by rail as under:—

- (a) Dedicated postal vans of Department of Posts attached in different coaching trains.
- (b) Earmarked dedicated GS coaches (1/4th, half or full) for transportation of mail for Postal department.
- (c) Mail bag having letters transported in second cum luggage van (SLRs) of coaching trains.

Department of Posts request for additional accommodation for transportation of postal traffic has been met favourably. Accordingly, it has been decided to

provide space in Assistant Guard Cabin of front SLR for transportation of postal traffic in the following trains:

- (i) 15959 Howrah-Guwahati-Dibrugarh Kamrup Express (From Howrah to Guwahati) *w.e.f.* 20.02.2017.
- (ii) 12721 Hyderabad-Nizamuddin Express (From Hyderabad to Nizamuddin) *w.e.f.* 01.02.2017.
- (iii) 12322 Mumbai-Howrah Mail (From Mumbai to Howrah) *w.e.f.* 27.02.2017.

Further, regular discussions are on with Department of Posts for utilisation of vacant accommodation in trains on IR. A list of 625 trains has been provided to Department of Posts where adequate parcel space is available and the prevalent rates are in the lowest scale.

[Ministry of Railways, Railway Board O.M. No. 2015/RCC(2014)/204/7
dated 13.10.2017]

Sd/-
(B.K. Singh)
Executive Director Finance(E)

Comments of the Committee

Please see Para Nos. 10 & 11 in Chapter I

Recommendation (Para No. 8)

The Committee note that another important policy which was issued in 2010 and modified in 2013 to increase rail share in essential commodities like fertilisers, edible oil, chemicals etc. is the Special Freight Train Operator (SFTO) Scheme under which three rakes have already been procured and approvals for six more rakes are underway. The Committee appreciate that as a result of procurement and induction of three rakes, 18711 tonnes of material have been transported resulting in freight earning of Rs. 48.02 crore during the years 2015-16 and 2016-17 (upto February, 2017). The Committee desire that urgent requisite measures be taken to speed up the process of approval, procurement and induction of the remaining rakes so as to ensure increase of rail share in essential commodities and more freight earning.

Reply of the Government

Noted. So far, in Special Freight Train Operator (SFTO) Scheme approval has been given for procurement of 10 rakes, out of which 05 rakes have been inducted and 05 to be inducted.

[Ministry of Railways, Railway Board O.M. No. 2015/RCC(2014)/204/7
dated 13.10.2017]

Sd/-
(B.K. Singh)
Executive Director Finance(E)

Recommendation (Para No. 9)

Pursuant to the announcement in the Rail Budget 2014-15 for redevelopment of 10 major stations of metro cities and important junctions to international standards, nine stations *i.e.* Brijwasan, Anand Vihar, Chandigarh, Habibganj, Shivaji Nagar, Surat, Gandhinagar, Bhubaneshwar and Baiyyappanahalli were identified for the purpose. According to the Ministry's submission while Habibganj station has been handed over to the developer, the redevelopment process of the remaining identified stations, except Bhubaneshwar and Baiyyappanahalli, are under different stages. While impressing upon the Ministry to expedite the redevelopment process of the 2014-15 identified stations, the Committee would like to be apprised of the status of the redevelopment of Bhubaneshwar and Baiyyappanahalli Stations.

Reply of the Government

Ministry of Railways has approved East Coast Railway's proposal for entering into MoU with the State Govt. of Odisha for construction of a state-of-the-art new railway station building with modern amenities at Bhubaneswar as per Railway's requirement, entirely at the cost of the State Govt. of Odisha. State Govt. of Odisha have further entrusted this work to Bhubaneswar Development Authority (BDA)

Baiyyappanahalli railway station has been entrusted to Indian Railway Stations Development Corporation (IRSDC) for redevelopment to international standards.

Also, Railway/IRSDC is making sustained efforts in expediting the projects for redevelopment of Anand Vihar, Brijwasan, Chandigarh, Habibganj, Shivaji Nagar, Surat and Gandhinagar stations. These are under various stages of progress. Bidders for redevelopment of Anand Vihar and Brijwasan stations have been shortlisted and Financial bids have been invited. MoU for development of an integrated Multi-Modal Hub at Surat including redevelopment of Surat railway station and Bus Terminus was signed between IRSDC, Gujarat State Road Transport Corporation and Surat Municipal Corporation in August, 2016. Request for Qualification (RFQ) for this work has been opened.

[Ministry of Railways, Railway Board O.M. No. 2015/RCC(2014)/204/7
dated 13.10.2017]

Sd/-
(B.K. Singh)
Executive Director Finance(E)

Recommendation (Para No. 10)

Also as announced in the Rail Budget 2015-16, the Railways are proposing to offer 407 'A-1' and 'A' category stations for redevelopment on 'as is where is' basis by inviting open bids from interested parties with their designs and business ideas. In this context, the Committee find that based on an internal assessment on the returns for each station, 23 stations have been identified at the first phase out of which bids for 21 stations have already been invited and bids for the remaining two stations would be invited soon. The Committee desire the Ministry to speed up the process of handing over the selected 23 stations to the developers so that all

identified 407 stations are redeveloped phase wise in a time-bound manner to international standards thereby enabling the Railways to leverage the amenities for general public and earn more revenue.

Reply of the Government

Railway had organized several Workshops, Meetings, Road Shows etc. with prominent prospective bidders/stakeholders to share their views. Model Invitation Documents, Bid Documents, Development agreement and Station Facility Management Agreement were prepared. Due to concerted efforts made by Railways, proposals (bids) for all the 23 stations have been invited. Weekly progress review meetings are held between officers of Zonal Railways and Ministry of Railways for exchange of ideas and to review the progress of station redevelopment project. More stations will be taken up for redevelopment in the subsequent phases, once the bidding process for the 1st phase is complete.

[Ministry of Railways, Railway Board O.M. No. 2015/RCC(2014)/204/7
dated 13.10.2017]

Sd/-
(B.K. Singh)
Executive Director Finance(E)

Comments of the Committee

Please see Para No. 17 in Chapter I

Recommendation (Para No. 11)

The Committee are pleased to note that the Ministry of Railways have signed an Memorandum of Understanding (MoU) with the Ministry of Urban Development as per which wherever there are SMART and AMRUT cities, the Railways will have a tie up with the local Municipal Corporation to develop the scheme together for the station as well as the surrounding city areas. The Committee are of the considered opinion that it is a step in right direction and should be persisted with while redeveloping all the identified 407 stations.

Reply of the Government

An MoU has been entered into between Ministry of Railways (MoR) and Ministry of Urban Development (MoUD) for mutual cooperation between the two Ministries for integrated Planning of redevelopment of railway stations in the cities included in the 'SMART Cities' and Atal Mission for Rejuvenation and Urban Transformation (AMRUT) scheme. The proposal is to plan the redevelopment of stations in partnership with the smart city SPVs and/or Urban Local Bodies so that the planning and redevelopment of the station and the city areas near the station is done in an integrated manner. The implementation of this may be planned with JV with Urban local bodies. Towards this end, an MoU between RLDA and National Building Construction Corporation (NBCC) for implementation of station redevelopment projects for 10 stations in partnership with respective Smart Cities

has been finalized. The following 10 railway stations are proposed to be redeveloped at present:

Tirupati, Delhi Sarai Rohilla, Nellore, Madgaon, Lucknow, Gontinagar (Lucknow), Kota, Thane New, Ernakulam Jn. and Puducherry.

[Ministry of Railways, Railway Board O.M. No. 2015/RCC(2014)/204/7 dated 13. 10.2017]

Sd/-
(B.K. Singh)
Executive Director Finance(E)

Recommendation (Para No. 12)

The Committee are concerned to note that no land and airspace in and around the stations have so far been commercially developed, as part of the station redevelopment programme. According to the Ministry's own submissions, the entire cost of station redevelopment will be met by leveraging commercial development of land and airspace in and around the stations. The Committee, therefore, impress upon the Ministry to look into the matter with a sense of urgency so as to ensure that the station redevelopment programme, as announced in successive Rail Budgets, is truly achieved.

Reply of the Government

Station redevelopment projects, which envisage provision of state-of-the-art facilities to the travelling public, are intrinsically complex and require high degree of project planning, detailed techno-economic feasibility studies and in-principle approval from various local bodies before bidding can be taken up. Hence, such projects generally have long gestation periods.

A dedicated organisation viz. Indian Railway Stations Development Corporation Ltd. (IRSDC) has been set up to undertake redevelopment of stations to international standards. 12 stations viz. Amritsar, Anand Vihar (Delhi), Brijwasan (Delhi), Baiyappanahalli (Bengaluru), Chandigarh, Gandhinagar (Gujarat), Gandhinagar (Jaipur), Gwalior, Habibganj, Nagpur, Surat & Shivajinagar (Pune) had been entrusted to IRSDC for redevelopment.

As a result of efforts made by Railways/IRSDC in this direction, contract for redevelopment of one station viz. Habibganj has been awarded. A company (GARUD) has been formed for redevelopment of Gandhinagar station and construction of 300 room hotel on the station's air-space and the ground-breaking was done by Hon'ble PM on 09.01.2017. The work of pile foundation is in progress. Request for Qualification (RFQ) for 2 stations viz. Anand Vihar and Brijwasan (in Delhi) has been finalized and bidders shortlisted. Request for Proposals (RFP) has also been invited for the Anand Vihar and Brijwasan stations. RFQ for development of Multi-Modal Transportation Hub at Surat has also been invited. Detailed feasibility studies for redevelopment of Chandigarh and Shivajinagar stations have been completed. Further, Indian Railways has also advertised its plan to develop 'A-1' and 'A' category stations on 'as is where is' basis, inviting proposals from developers with their designs and business ideas.

Union Cabinet approved Railway's proposal for redevelopment of 'A-1' and 'A' category stations (total about 400 stations) on 'as is where is' basis, by inviting open bids from interested parties with their designs and business ideas duly providing for amenities and other requirements of the Railways including permitting commercial development of real estate by Zonal railways. Based on detailed discussions held with the Zonal Railways, feedback from various stakeholders and collaboration of desktop studies with field visit for certain identified stations, M/s. BCG recommended a list of 23 stations to be taken up for bidding in first Phase. Accordingly, first phase of station redevelopment program by Zonal railways was launched on 08.2.2017. Bids for redevelopment of the 23 railway stations have been invited in the first phase. Bid for Jammu station has been received.

An MoU has been entered into between Ministry of Railways (MoR) and Ministry of Urban Development (MoUD) for mutual cooperation between the two Ministries for integrated planning of redevelopment of railway stations in the cities included in the 'Smart Cities' and Atal Mission for Rejuvenation and Urban Transformation (AMRUT) scheme. Presently, 10 stations are proposed to be redeveloped under the scheme.

It has been decided to redevelop Safdarjung railway station (in Delhi) by leveraging the commercial potential of land and air space in and around the station. The project is to be carried out jointly by Rail Land Development Authority and IRCON Ltd.

A large number of Foreign Railways have shown keen interest in the stations redevelopment program and an agreement has been signed with the French Railway (SNCF) for joint study on Renovation Concept Design of Ambala and Ludhiana stations. Korean railway has also expressed interest in the redevelopment of New Delhi Station.

[Ministry of Railways, Railway Board O.M. No.2015/RCC(2014)/204/7
dated 13. 10.2017]

Sd/-

(B.K. Singh)

Executive Director Finance(E)

Recommendation (Para No. 13)

The Committee note that the Ministry with JV partners have initiated the process of setting up of two locomotive manufacturing factories in Bihar *i.e.* one Electric Locomotive Factory at Madhepura and one Diesel Locomotive Factory at Marhaura. The first phase of the Electric Loco Factory is expected to be completed by July, 2017 and the construction of the entire factory would be completed by February, 2019. The prototype electric loco would be rolled out in February, 2018. Similarly, the construction of the diesel loco factory has commenced from June, 2016 and the first prototype diesel loco is scheduled to be rolled out also in February, 2018. In view of the fact that there is an assured off-take model of the locomotives with much better efficiency and reliability parameters, the Committee urge the Ministry

to ensure that the two factories are completed within the agreed time line and locomotives are rolled out as per planning for capacity augmentation of the Indian Railways. As maintenance of the locos is equally imperative, the Committee desire that the two proposed maintenance depots at Saharanpur and Nagpur be completed as per the respective deadlines.

Reply of the Government

Electric Locomotive Factory, Madhepura

Observations/recommendations of the Committee have been noted. Construction of Electric Locomotive Factory at Madhepura and maintenance depot at Saharanpur has been started and the construction is expected to be completed within the timeline by the Joint Venture Company (Madhepura Electric Locomotive Pvt. Ltd.). The maintenance depot at Nagpur is also expected to be completed by Feb., 2022 as per time line. The first prototype locomotive is planned to roll out by Feb., 2018 from the factory located at Madhepura.

Diesel Locomotive Factory, Marhaura:

Observations/recommendations of the Committee are noted. Construction of Diesel Locomotive Factory at Marhaura and Maintenance Depot at Roza has been started. The construction is expected to be completed within the timeline. The Maintenance Depot at Gandhidham is also expected to be completed by Feb., 2022. The first prototype locomotive is planned to be supplied by Feb., 2018.

[Ministry of Railways, Railway Board O.M. No. 2015/RCC(2014)/204/7
dated 13.10.2017]

Sd/-

(B.K. Singh)

Executive Director Finance(E)

Recommendation (Para No. 14)

One encouraging aspect that has engaged the attention of the Committee is the JV partner's decision not to import any Electric Locos, rather they will be using the technical expertise already available in various subsidiaries in India for manufacturing Electric locos. The Committee are of the considered opinion that such indigenization will certainly facilitate cost effectiveness and more employment generation and they would like the Railway Board to explore the feasibility of replicating such domestic manufacturing in similar schemes/projects undertaken through PPP model.

Reply of the Government

Observations/recommendations of the Committee have been noted. It is to state that the principles/provisions approved by the Cabinet for Electric Loco

Factory, Madhepura project would be followed in structuring the PPP projects of similar nature so as to maximize the indigenization.

**[Ministry of Railways, Railway Board O.M. No. 2015/RCC(2014)/204/7
dated 13. 10.2017]**

**Sd/-
(B.K. Singh)
Executive Director Finance(E)**

CHAPTER III

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

—NIL—

CHAPTER IV

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

Recommendation (Para No. 7)

With a view to increasing Indian Railways' market share in transportation of automobiles, the policy for Automobile Freight Train Operator (AFTO) Scheme was issued in 2010 and revised in 2013. Under the scheme, approval has been given to two Private Companies for procurement of 12 rakes out of which 9 rakes have already been inducted and are running on Indian Railways System. The Committee are pleased to find that there has been a steady increase in the revenue earning for Indian Railways from the implementation of the scheme. For example, in 2013-14 the earning was Rs. 62 lakh only whereas in 2014-15 it increased to Rs. 20.29 crore followed by Rs. 57.97 crore in 2015-16 and Rs. 77.80 crore in 2016-17 (upto February, 2017). In view of the potential of the scheme to increase Railway's market share in transportation of automobile, the Committee would like the Ministry to consider according approval to the Private Companies for procurement of more rakes in future for induction on Indian Railways which in turn would result in more revenue earnings.

Reply of the Government

Noted. So far approval under Automobile Freight Train Operator (AFTO) Scheme has been a given for procurement of 21 rakes, out of which 09 rakes have been inducted and 12 to be inducted.

[Ministry of Railways, Railway Board O.M. No. 2015/RCC(2014)/204/7
dated 13.10.2017]

Sd/-
(B.K. Singh)
Executive Director Finance(E)

Comments of the Committee

Please see Para No. 14 in Chapter I.

CHAPTER V

OBSERVATIONS/RECOMMENDATIONS IN RESPECT OF WHICH REPLIES OF THE GOVERNMENT ARE INTERIM IN NATURE

NEW DELHI;
14 March, 2018
23 Phalguna, 1939-40 (*Saka*)

BHARTRUHARI MAHTAB,
Chairperson,
Railway Convention Committee.

APPENDIX I

RAILWAY CONVENTION COMMITTEE 2014

MINUTES OF THE FORTY-SIXTH SITTING OF THE COMMITTEE

The Committee sat on Wednesday, the 14th March, 2018 from 1030 hrs. to 1100 hrs. in Room No. 215, Chairperson's Chamber, Parliament House Annexe Extension, New Delhi.

PRESENT

Shri Bhartruhari Mahtab — *Chairperson*

MEMBERS

Lok Sabha

2. Shri K. Ashok Kumar
3. Shri Janak Ram
4. Shri Rahul Ramesh Shewale

Rajya Sabha

5. Shri T.K. Rangarajan
6. Smt. Vandana Chavan
7. Shri Ranvijay Singh Judev

SECRETARIAT

1. Smt. Kavita Prasad — *Joint Secretary*
2. Shri M.K. Madhusudhan — *Director*
3. Shri D. R. Mohanty — *Additional Director*

2. At the outset, the Chairperson welcomed the Members to the sitting of the Committee which was convened to consider and adopt three Draft Reports on the subjects (i) Action Taken by Government on the Eleventh Report (Sixteenth Lok Sabha) on Exploring PPP Avenues in Railway Infrastructure, (ii) Action Taken by Government on the Twelfth Report (Sixteenth Lok Sabha) on Green Energy Initiatives in Indian Railways; and (iii) Action Taken by Government on the Fifteenth Report (Sixteenth Lok Sabha) on Safety Provisions at Unmanned Level Crossings. Giving an overview of the important Recommendations contained in the Draft Reports, the Chairperson solicited the views/suggestions of the Members.

3. The Committee then took up for consideration of the said Draft Reports and adopted them after some discussion.

4. The Chairperson thanked the Members for their valuable suggestions and active participation in the deliberations of the Committee.

5. The Committee, then, authorized the Chairperson to finalize the Reports and present the same to both the Houses.

The Committee then adjourned.

APPENDIX II

(Vide Para No. 3 of the Introduction)

ANALYSIS OF ACTION TAKEN BY THE GOVERNMENT ON
OBSERVATIONS/RECOMMENDATIONS CONTAINED IN
THE ELEVENTH REPORT OF THE RAILWAY
CONVENTION COMMITTEE-2014
(SIXTEENTH LOK SABHA)

	Total	Percentage
I. Total number of Recommendations:	14	—
II. Observations/Recommendations which have been accepted by the Government: (Para Nos. 1,2,3,4,5,6,,8,9,10,11,12,13 and 14)	13	92.8
III. Observations/Recommendations which the Committee do not desire to pursue in view of the Government's replies: (NIL)	NIL	—
IV. Observations/Recommendations in respect of which Government's replies have not been accepted by the Committee and which requires reiteration: (Para No. 1)	01	7.2
V. Observations/Recommendations in respect of which final replies of Government are of interim in nature: (NIL)	NIL	—
Total:	14	100

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The Souvenir items with logo of Parliament are also available at Sales Counter, Reception, Parliament House, New Delhi. The Souvenir items with Parliament Museum logo are available for sale at Souvenir Shop (Tel. No. 23035323), Parliament Museum, Parliament Library Building, New Delhi. List of these items are available on the website mentioned above."
