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STANDING COMMITTEE ON RAILWAYS
(2019-20)

(SEVENTEENTH LOK SABHA)

MINISTRY OF RAILWAYS
(RAILWAY BOARD)

SECOND REPORT

DEMANDS FOR GRANTS

(2019-20)

LOK SABHA SECRETARIAT

NEW DELHI

December, 2019/Agrahayana, 1941 (Saka)

S.C.R. No. 226

SECOND REPORT

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(2019-20)

Presented to Lok Sabha on 12.12.2019

Laid in Rajya Sabha on 12.12.2019

सत्यमेव जयते

LOK SABHA SECRETARIAT

NEW DELHI

December, 2019/Agrahayana, 1941 (Saka)

CONTENTS

COMPOSITION OF STANDING COMMITTEE ON RAILWAYS (2019-20)@

Shri Radha Mohan Singh - Chairperson

MEMBERS

LOK SABHA

2. Dr. Farooq Abdullah
3. Shri T.R. Baalu
4. Smt. Ranjanben Bhatt
5. Shri Pankaj Choudhary
6. Shri Abu Hasem Khan Chowdhury
7. Smt. Sangeeta Kumari Singh Deo
8. Shri Hemant Tukaram Godse
9. Shri Suresh Kodikunnil
10. Shri Kaushalendra Kumar
11. Smt. Diya Kumari
12. Smt. Jaskaur Meena
13. Shri Anubhav Mohanty
14. Shri Sunil Kumar Mondal
15. Smt. Queen Oja
16. Smt. Keshari Devi Patel
17. Shri Mukesh Rajput
18. Shri N. Reddeppa
19. Shri Sumedhanand Saraswati
20. Shri Gopal Jee Thakur
21. Sadhvi Pragya Singh Thakur

RAJYA SABHA

22. Shri N. Gokulakrishnan
23. Prof. Manoj Kumar Jha
24. Shri Mohd. Ali Khan
25. Shri Joginipally Santosh Kumar
26. Ms. Saroj Pandey
27. Shri Garikapati Mohan Rao
28. Shri Ashok Siddharth
29. Shri Bashistha Narain Singh
30. Mahant Shambhuprasadji Tundiya
31. Shri Motilal Vora

@ Constituted w.e.f. 13.09.2019 vide Lok Sabha Bulletin Part II No. 550 dated 13.09.2019.

LOK SABHA SECRETARIAT

1.	Dr. Kavita Prasad	-	Joint Secretary
2.	Shri Arun K.Kaushik	-	Director
3.	Shri Ram Lal Yadav	-	Additional Director
4.	Smt. Archana Srivastava	-	Deputy Secretary

INTRODUCTION

I, the Chairperson, Standing Committee on Railways (2019-20) having been authorised by the Committee to submit the Report on their behalf, present this Second Report on 'Demands for Grants (2019-20) of the Ministry of Railways'.

2. This Report is based on facts and figures submitted by the Ministry of Railways and the depositions made by the representatives of the Ministry of Railways (Railway Board) before the Committee on 23.10.2019. The Committee considered and adopted the Report at their sitting held on 11.12.2019. Minutes of the related sittings are given in the Appendix to the Report.

3. The Committee wish to express their thanks to the officers of the Ministry of Railways (Railway Board) for appearing before the Committee and furnishing the information that the Committee desired in connection with the examination of the Demands for Grants (2019-20). They would also like to place on record their appreciation for the assistance rendered to them by the officials of Lok Sabha Secretariat attached to the Committee.

4. For facility of reference and convenience, the observations and recommendations of the Committee have been printed in bold letters in Part-II of the Report.

New Delhi;	**RADHA MOHAN SINGH**
11 December, 2019	**Chairperson**
20 Agrahayana , 1941(Saka)	**Standing Committee on Railways**

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REPORT
PART-I

INTRODUCTORY

Indian Railways is divided into 17 zones which are further divided into Divisions. At present, there are 68 Divisions. Each Zone is headed by a General Manager who reports to Railway Board. The General Manager is assisted by PHODs/HODs of various Disciplines like Engineering, Mechanical, Electrical, Signal and Telecommunication, Accounts, Personnel, Operating, Commercial, etc. The Divisions are headed by Divisional Railway Managers who are assisted by Divisional Officers of respective Disciplines. Further, down the hierarchy, there are Station Directors (at selected Stations/Station Masters who control individual stations and train movement through the track under their station's administration. Recently, a new Zone namely, South Coast Railway has been approved by the Cabinet, and an OSD has been appointed to complete the preparatory work for actual demarcation of jurisdiction and formal notification for operation.

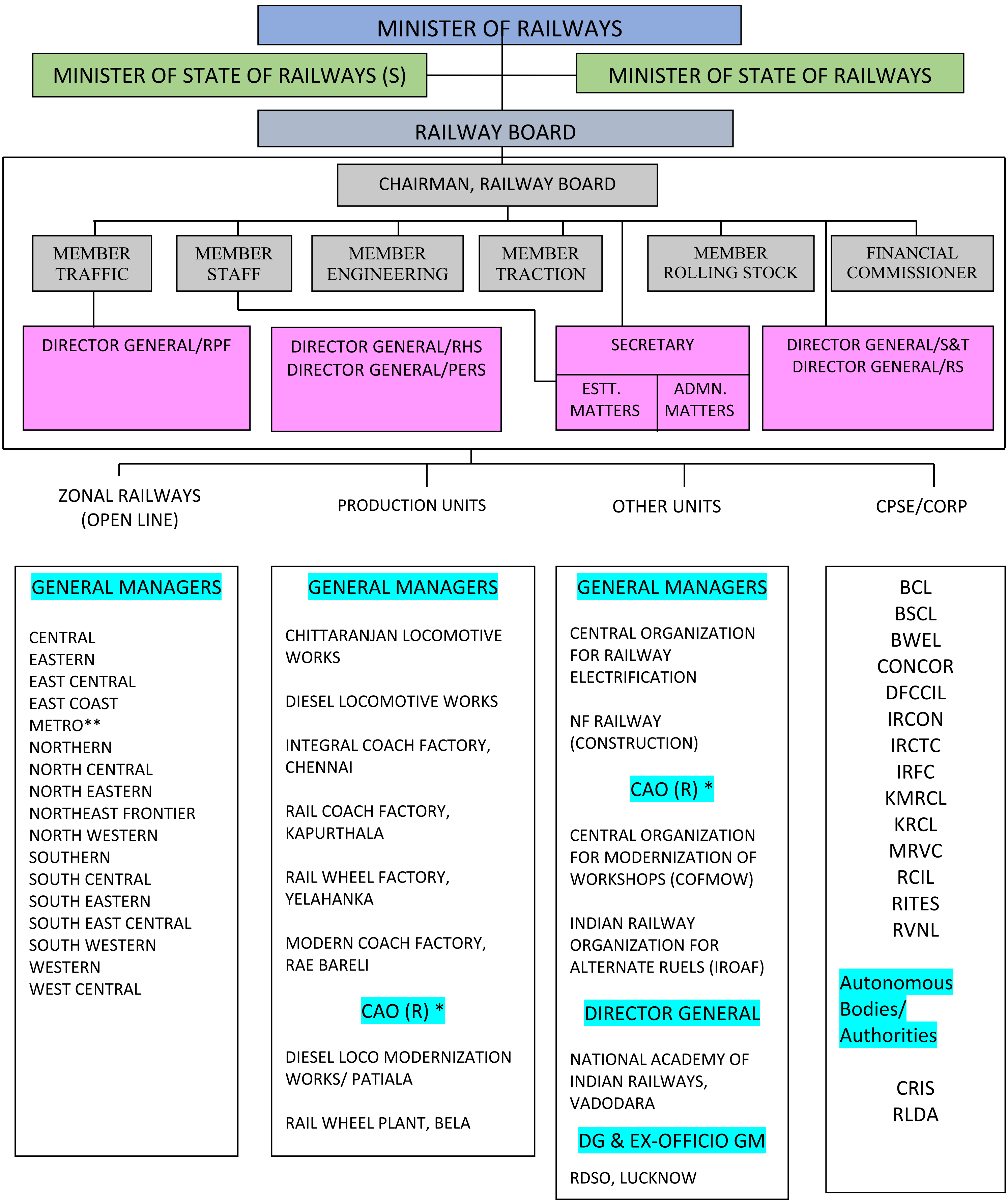
2. Apart from the 17 Zones, Indian Railways also has 8 Production Units. These Production Units manufacture much of its rolling stock and heavy engineering components. Each of these Production Units is headed by a General Manager/CAO who reports directly to the Railway Board.

3. Indian Railways (IR), in the larger social and national interest, undertakes certain uneconomic operations in transportation to provide affordable transport facilities to poorer sections of society and to facilitate the movement of essential commodities meant for mass consumption. Losses incurred on this account fall under Social Service Obligation of IR.

4. New Social Service Obligation borne by IR in 2017-18 is assessed at Rs.32,358.198 crore excluding staff welfare cost (Rs.6,067,23 crore) and law and order cost (Rs.4,596.70 crore). These costs impinge upon the viability of Indian Railway system.

5. Organization Structure of Indian Railways is shown below:

ORGANIZATION STRUCTURE



** METRO RLY, KOLKATA

* CHIEF ADMINISTRATIVE OFFICER (RAILWAYS)

I MERGER OF BUDGET: AFTER EFFECTS/ POST MERGER SCENARIO

6. As a reform, the Railway Budget has been merged with the Union Budget w.e.f. 2017-18 as against the convention of presenting it separately since 1924 on the basis of recommendations of the Acworth Committee. Though the Railway Budget was presented separately to Parliament, the figures relating to the receipts and expenditure of the Railways were also shown in the General Budget.

7. Asked to explain the overall impact of the merger of Railway Budget with the Union Budget, the Ministry in their written reply, submitted as under:

> "While the merger has ensured continuity for Railways in maintaining its distinct entity as a departmentally run commercial undertaking retaining functional autonomy and delegation of financial powers etc., it also has reduced the procedural requirements involved in presenting a separate budget. The merger has relieved Ministry of Railways from payment of dividend to the general exchequer on the capital-at-charge. Further, Ministry of Finance continues to reimburse operational losses of strategic lines. Moreover, Railways are getting the highest ever Capex in the post-merger era with more funds under RSF and RRSK resulting in more thrust on passenger safety, amenities, cleanliness, better mobility of trains etc. and availability of more funds which is generally facilitating all the railway projects under execution."

8. The Ministry further stated that the merger of Railway Budget with General Budget would facilitate multi-modal transport planning between highways, Railways and inland Waterways. Asked to elaborate the status of implementation of Multi-Model Transport Project, the Ministry in their written reply, submitted as under:

> "National Rail Plan' is an initiative of Ministry of Railways, announced in the Budget 2016-17. The plan while being formulated to build capacity on Indian Railways, ahead of demand is aimed at building necessary infrastructure- fixed and rolling- by year 2020 with a horizon period of 2050. The plan takes a network view and an integrated approach to transport planning of Railways, taking into account the other modes of transport – road, Railways, ports, coastal shipping, inland, waterways etc.
>
> Current Status – The work on formulation of the 'National Rail Plan' has commenced in December 2018 and is expected to be completed during financial year 2019-20."

9. In response to a specific query, the Ministry submitted that the **"'National Rail Plan'** was being executed by Ministry of Railways through award of the work to M/s RITES, who in turn have engaged a reputed consultant through International Competitive Bidding". The Ministry

further apprised that experts in various fields *viz.* Rail, Port, Aviation, Highway, Logistics etc. have been engaged for the execution of the project.

II. FINANCIAL TARGETS AND ACHIEVEMENTS

10. The details of financial targets and achievements during the years 2017-18 and 2018-19, and the Budget Estimate for 2019-20 were stated to be as under:-

Rs. in crore

Description	RE 2017-18	Actuals 2017-18	BE 2018-19	RE 2018-19	Actuals 2018-19	BE 2019-20
1.Gross Traffic Receipts	187225	178725.31	200840	196714	189906.58	216675
2. Miscellaneous Receipts	200	204.33	250	500	600.79	260
3. Total Receipts	187425	178929.64	201090	197214	190507.37	216935
4. Net Ordinary Working Expenses	130200	128496.51	138000	141000	140200.30	155000
5. Appropriation to Pension Fund	44100	45797.71	47500	47300	44280.00	50000
6. Appropriation to Depreciation Reserve Fund	5000	1540	500	500	300.00	500
7. Total Working Expenses [4+5+6]	179300	175834.22	186000	188800	184780.30	205500
8. Miscellaneous Expenditure	1700	1429.81	2100	2400	1953.21	2400
9. Total Expenditure (7+8)	181000	177264.03	188100	191200	186733.51	207900
10. Net Revenue [3-9]	6425	1665.61	12990	6014	3773.86	9035
11. Appropriation to Development Fund	1500	1505.61	1000	1000	750.00	1000
12. Appropriation to Capital Fund	4925	--	6990	14	-	3035
13. Appropriation to Railway Safety Fund	--	160	--	--	-	--
14. Appropriation to Rastriya Rail Sanraksha Kosh	--	--	5000	5000	3023.86	5000
15. Operating Ratio	96%	98.4%	92.8%	96.2%	97.29%	95%

11. It may be seen from the above that Estimates of Gross Traffic Receipts for the year 2018-19 at RE stage have been placed at ₹ 196714 crore involving an increase of ₹9489 crore over the

Revised Estimates 2017-18. Total expenditure has been placed at ₹ 207900 Cr at BE 2019-20 with an increase of ₹ 16700 Cr in comparison to ₹ 191200 Cr at RE 2018-19.

12. It may also be seen that Net Revenue has also been reduced by ₹6976 crore at RE 2018-19 from ₹12990 crore at BE 2018-19. Net Revenue of ₹ 9035 crore has been targeted for the year 2019-20 at BE. Operating Ratio has also been revised upward from 92.8% at BE 2018-19 to 96.2% at RE 2018-19 and has been targeted at 95% at BE 2019-20.

13. It may also be seen that there has been no appropriation to Capital Fund during the years 2017-18 and 2018-19. Asked about the rationale for not appropriating the Capital Fund during 2017-18 and also in the year 2018-19, the RE were slashed to Rs.14 Cr. only as compared to BE of Rs.6990 Cr., the Ministry have submitted as under:

> "The appropriations to Capital Fund (CF) are from Railways' Net Revenue. Based on the assessment of Net Revenue at BE and RE stages of 2017-18, provision was made for appropriation to and expenditure from Capital Fund(CF) for meeting a part of the repayment of principal component of lease charges to IRFC. The balance amount of the principal component was provided to be paid from Capital (Budgetary Support). However, due to decline in net revenue in actual stage from the BE/RE stages, no fund could be spared for CF and hence the entire principal component of lease charges to IRFC was paid from Capital (Budgetary Support). In line with the observation of Railway Convention Committee, the revised codal provisions allow charging of 'capital component of lease charges' to Capital in case adequate funds are not available under Capital Fund."

14. The estimates of expenditure from the Consolidated Fund included in the Budget Statement and required to be voted by the Lok Sabha are submitted in the form of Demands for Grants. After merging the Railway Budget with the General Budget, from the budget year 2019-20, the Railway receipts and expenditure became part of the documents of General Budget. The expenditure of the Railways is a part of Union Budget similar to other Ministries/Departments of Government of India. The entire expenditure of Railways is now covered in 'Demand for Grant No. 82-Ministry of Railways' with sub-sections as 'Revenue' and 'Capital'. The Railways' 'Demands for Grants' are presented to Parliament and got passed from there by the Ministry of

Finance. The Railways, like other Ministries/Departments, present a 'Detailed Demand for Grant' a few days after presentation of the Budget as is being done by other Ministries.

15. There are 07 Major Heads and 11 sub major heads under Demands for Grants of Railways. Major Head 3001 represents expenditure on Railway Board, surveys, studies, centralized training institutes, Railway Recruitment Boards and other attached and subordinate organisations, etc. while Major Heads 3002 and 3003 represent mainly the Working Expenses of the zonal railways, cater to various activities. Major Heads 3001, 3002, 3003 and 3006 also are used for appropriation of Railway revenue left after meeting expenditure to various Railway Funds. The capital expenditure on expansion & modernisation of Railways was provided under Major Heads 5002 and 5003. Each sub major head of Demand for Grant has further been divided into Minor-heads and Sub-heads representing further division of the activity.

16. Demands pertaining to the Ministry of Railways for the year 2019-20 were laid in the Lok Sabha on 10th July, 2019. The estimated and targeted financial performance of Railways in Revised Estimate (RE) for Financial Year *i.e.*, 2018-19 and Budget Estimate (BE) for 2019-20 have been presented that include total revenue receipts, revenue and works expenditure, distribution of excess of receipts over expenditure and position of various Funds, *viz.*, Depreciation Reserve Fund, Development Fund, Pension Fund, Capital Fund, Railway Liability Reserve Fund, Railway Safety Fund and Rashtriya Rail Sanraksha Kosh.

17. The Demands for Grants of the Ministry of Railways for 2019-20 are given in the following statement:-

(Rs. in thousands)

Sl. No.	Details	Total Demand (2019-20)	
		Voted	**Charged**
	Revenue		
1	Indian Railways – Policy Formulation, Direction, Research, and other Miscellaneous Organization	22967300	32800
2	General Superintendence and Services on Railways	88537655	8050

3	Repairs and Maintenance of Permanent Way and Works	162111102	3883
4	Repairs and Maintenance of Motive Power	70418449	115
5	Repairs and Maintenance of Carriages and Wagons	168549186	1057
6	Repairs and Maintenance of Plant and Equipment	90556625	1510
7	Operating Expenses – Rolling Stock and Equipment	160752694	170
8	Operating Expenses – Traffic	308261232	845
9	Operating Expenses – Fuel	330302089	0
10	Staff Welfare and Amenities	79703387	580
11	Miscellaneous Working Expenses	82678062	4693221
12	Provident Fund, Pension and Other Retirement Benefits	539349519	569
13	Appropriation to Funds	596350000	0
14	Other Transport Services	21816700	
	Total Revenue	**2722354000**	**4742800**
	Capital		
15	Assets – Acquisition, Construction and Replacement	2273942400	363100
	Grand Total	**4996296400**	**5105900**

III. ANNUAL PLAN 2019-20

18. The provision in Capital section of Demand is for expenditure on assets, acquisition, construction and replacement, whether met out from the funds to be obtained from the general exchequer or from the internal resources of the Railway viz. Depreciation Reserve Fund, Development Fund, Capital Fund, Railway Safety Fund and Rashtriya Rail Sanraksha Kosh. The Charged expenditure is for payment in satisfaction of court decrees and arbitration awards where made into rule of the court.

19. Total Annual outlay for capital expenditure for the year 2019-20 has been estimated at ₹ 160176 crore comprising Gross Budgetary Support of ₹ 66105 crore, internal resources of ₹10500 crore and Extra Budgetary Resources of ₹83571 crore consisting of Marketing Borrowings, Public Private Partnership (PPP) and Institutional Financing. The representatives of the Ministry during the deliberation apprized the Committee that it is the highest ever figure of CAPEX on Indian Railways.

20. The financing of Annual Plan proposed in 2019-20 and its comparison with 2017-18 and 2018-19 is given as under:- **(₹ in crore)**

Sl. No.	Head	Annual Plan						
		2017-18			**2018-19**			**2019-20**
		BE	RE	Actuals	BE	RE	Actuals (Prov.)	BE
1.	Budgetary Support	44332	28725	32043	40880	40060	39388	50855
2.(i)	Railway Safety Fund	668	1375	1375	2180	3000	3000	5250
(ii)	RRSK	10000	10000	10000	10000	10000	10000	10000
3	**Gross Budgetary Support (GBS) [1+2(i+ii)]**	**55000**	**40100**	43418	**53060**	53060	52388	66105
4.	**Internal Resources**	**14000**	**10900**	3070	**11500**	6500	4663	10500
5.	Market borrowing under extra budgetary support	21686	24786	18808	28500	27529	23736	29031
6.	Funding through PPP	22000	24000	22116	27000	27000	24281	28100
7.	EBR (institutional finance)	18314	20314	14575	26440	24769	27858	26440
8.	**Total EBR (5+6+7)**	**62000**	**69100**	55498	**81940**	79298	75876	83571
Total Plan Size (3+4+8)		**131000**	**120100**	101986	146500	138858	133397	160176

21. Regarding the major reasons for downward trend of the generation of Internal Resources for the year 2018-19 from Rs.11500 Cr. at BE to Rs. 6500 Cr at RE and finally Rs. 4671 Cr at Actuals, the Ministry in their written reply explained as under:

"Internal Resource component of Railways' Capex in 2018-19 declined from Rs. 11,500 cr in BE to Rs. 6,500 cr in RE and further to Rs. 4,657 cr in Actuals. Capex from internal resources of Railways is estimated at consecutive budgeting stages based on the estimated internal resource generation at each stage which in turn is based on the revenue expenditure and earnings estimates. In the year 2018-19, the internal resource generation gradually declined from BE to RE and further from RE to Actuals based on the declining trend of Railway receipts. The major reasons for the decline in receipts are:

- Drop in originating passengers – in non-suburban segment in RE vis-a-vis BE and drop in average passenger lead in actuals vis-a-vis RE
- Trend of lesser average freight lead in RE vis-a-vis BE and less loading in Actuals vis-a-vis RE.
- Low growth in other coaching earnings
- Non-materialisation of revenue target from land monetisation."

22. The Committee desired to know the heads under which the allocation has been enhanced and the reasons for such enhancement when the total plan outlay for the year 2019-20 has been increased to Rs.1,60,176 Cr compared to RE 2018-19 i.e. Rs 1,38,858 Cr. In reply, the Ministry in their written reply have submitted as under:

"The Capex for BE 2019-20 has been approved for Rs.1,60,176 cr, against RE 2018-19 figures of Rs.1,38,858 cr. The increase in BE is Rs.21,318 cr over RE. An allocation-head wise comparison of RE 2018-19 and BE 2019-20 outlays is shown in the following table –

(Rs. in cr.)

Allocation-heads	RE 2018-19	BE 2019-20	Variation
Capital	35060	45855	+10795
Cap.Fund	0	3000	+3000
DRF	500	1000	+500
DF	1000	1500	+500
RSF	3000	5250	+2250
RRSK	20000	20000	0
EBR(IRFC)	27529	29031	+1502
EBR(IF)	24769	26440	+1671
EBR(P)	27000	28100	+1100
Total Capex	**138858**	**160176**	**+21318**

BE 2019-20 witnesses increase in comparison to RE 2018-19 in Gross Budget Support (GBS) segment by Rs.13,045 cr, Internal Resources by Rs.4,000 cr and Extra Budgetary Resources by Rs.4,273 cr.

GBS includes higher provision for expenditure on various projects and earmarked outlay for the 'Project of Elimination of Manned Level Crossings on Golden Quadrilateral/Golden Diagonal Routes (PEMLC)'. Internal Resources are proposed for contribution towards RRSK, payment of lease charges, renewal/ replacement/developmental works etc. Higher

EBR outlays are proposed for increased activities relating to procurement of rolling stock, execution of Doubling & Electrification projects. Higher investment in partnership projects is also envisaged."

23. Regarding the details of projects and the extent of investment intended, the Ministry, submitted as under:

"Procurement of rolling stock like locomotives, carriages and wagons for Indian Railways has to be done through Budgetary sources. It is supplemented with Extra Budgetary Resources borrowed under EBR(IRFC). Further, remunerative projects of Doubling and Electrification under various Railways and Central Organisation for Railway Electrification are being executed with Institutional Finance under EBR(IF). Borrowing for these projects and rolling stock is need based and is dependent upon requirement of funds and extent of repayment/debt liabilities.

Furthermore, Railway projects are also being executed with investment from public undertakings, private entities, state governments, public authorities and other stake holders. Such investment is categorized as EBR(Partnership). These may include investment in private freight terminals, participative policy for rail connectivity, investment in manufacturing facilities, investment in cost sharing projects etc.

For investment from market borrowing, Railways are required to pay lease charges to IRFC as payment of capital component and payment of interest at rate of interest agreed upon."

24. On being asked about the reasons for variations in the BE, RE and Actuals of 2017-18 and 2018-19, the Ministry in their written replies, submitted as under:

"The Capex in BE 2017-18 was Rs.1,31,000 cr. It was revised to Rs.1,20,100 cr in Revised Estimates and expenditure of Rs.1,01,986 cr was incurred in Actuals 2017-18. Variation between RE and Actual expenditure was Rs.18,114 cr. Variation is in expenditure under Gross Budgetary Support (GBS) and Internal Resource (IR) segments of the Plan. The main reason for variation in GBS was that at RE stage the GBS was reviewed by Government of India and resized from Rs.55,000 cr to Rs.40,000 cr. Under Internal Resources, the adverse resource position deprived Railways from deployment of desired level of funds for Plan expenditure. Projects were therefore re-prioritised to make optimum utilisation of available resources.

In 2018-19, against BE of Rs.1,46,500 cr, the RE was fixed at Rs.1,38,858 cr, while Actual expenditure is Rs.1,33,377 cr. Variation is in Internal Resources and EBR segments of the Plan. The reason for lesser expenditure in 2018-19 was attributable to the fact that adverse resource position during the year did not permit desired level of funds being deployed from internal resources. Under EBR segment though the actual investment in 2018-19 was higher than 2017-18 by 37%, there was less utilization on account of pace of progress of works in some cases not materializing at par with the expected levels."

25. As per the data provided by the Ministry, it was noticed that under EBR segment, though the actual investment in 2018-19 was higher than 2017-18 by 37%, there was less utilisation on

account of slow pace of progress of works in some cases. Asked about the reasons therefor, the Ministry apprised as under:

"The Actual expenditure under EBR segment of Plan in 2017-18 and 2018-19 (Prov) is shown in the following table –

(Rs in cr)

Source	**RE 2017-18**	**Actual 2017-18**	***Utilisation***	**RE 2018-19**	**Actual 2018-19**	***Utilisation***	***Growth over prev. year***
EBR(IRFC)	24786.00	18807.84	*75.9%*	27528.96	23735.88	*86.2%*	*26.2%*
EBR(IF)	20314.00	14574.31	*71.7%*	24768.56	27858.79	*112.5%*	*91.1%*
EBR(P)	24000.00	22116.00	*92.2%*	27000.00	24281.14	*89.9%*	*9.8%*
	69100.00	**55498.15**	***80.3%***	**79297.52**	**75875.81**	***95.7%***	***36.7%***

Actual expenditure excludes Rs.92.50 cr in 2017-18 and Rs.1046 cr in 2018-19 of EBR (IRFC) provided by IRFC to RVNL for Doubling projects. Including this expenditure, the utilisation for 2017-18 would become 76.2% and for 2018-19 it would become 90.02%.

It would thus be seen that against actual utilisation of 80.3% of EBR funds in 2017-18, the actual utilisation in 2018-19 was 95.7%. Expenditure in 2018-19 was about 37% higher than that of 2017-18. There was 112.5% utilisation under EBR(IF) in 2018-19. Utilisation of 95.7% of available funds can be termed as satisfactory, although lesser utilisation under EBR(IRFC) was on account of lesser materialization of rolling stock procurement and investment from partnerships being less than estimated under EBR(P)."

26. Regarding the main objectives/thrust areas of the Annual Plan 2019-20, the Ministry submitted as under:

"Railways is planning an investment of Rs.50 lakh crore between 2018-2030. Given that, at present, the capital expenditure outlays of Railways are around 1.5 to 1.6 lakh crores per annum, completing even all sanctioned projects would take decades. It is therefore planned to use Public-Private Partnership to unleash faster development and completion of projects.

Some of the major areas requiring investment are Capacity Augmentation, Dedicated Freight Corridors, High Speed Corridors, New Line, Gauge Conversion, Doubling, Electrification and Traffic Facility works."

27. The EBR has been kept at Rs. 83571 Cr. in BE 2019-20, as compared to RE 2018-19 i.e. Rs. 79298 Cr. On being asked to explain the reason for variation in EBR and the interest liability for extra borrowings, the Ministry in their written reply submitted as under:

"Railway projects are highly capital intensive and require huge amount of investment for execution. The Capital expenditure on projects is met primarily from Gross Budgetary Support (GBS) from Government of India and is supplemented with Extra Budgetary Resources (EBR) in the absence of adequate GBS. Higher outlays have been provided in

2019-20 through EBR to meet increasing requirement for project execution and procurement of rolling stock.

Provision under EBR in Revised Estimates 2018-19 and Budget Estimates 2019-20 is shown in the following table –

(Rs in crore)

	RE 2018-19	BE 2019-20	Variation
1. EBR(Bonds)	27529	29031	+1502
2. EBR(Institutional Finance)	24769	26440	+1671
3. EBR(Partnerships)	27000	28100	+1100
	79298	83571	+4273

It would be seen that the EBR components mentioned at No.1 and 2 in the above table involve borrowings by Indian Railways through Indian Railway Finance Corporation (IRFC), the additional borrowings in BE 2019-20 under which is Rs.3,173 cr. EBR(Partnerships) at No.3, on the other hand, denotes investment from non-Railway stake holders like private corporations, public undertakings, State Governments and other authorities.

The estimated interest liability for extra borrowings in 2019-20 in respect of Rolling Stock and EBR (Institutional Finance) will be Rs. 4,737 cr (for Rolling Stock over a period of 15 years and for EBR(IF) for over a period of 30 years)."

28. The Committee then desired to be apprised about the details of the Projects intended to be undertaken in PPP mode. In reply, the Ministry stated as under:

"Ministry of Railways has formulated a Participative Policy, 2012 to encourage the investment in developing rail connectivity by associating strategic partners and other investors. The policy defines five Public Private Partnership models viz. Non-Government Railway (NGR), Joint Venture (JV), Customer funded model, BOT and BOT-annuity models. State Governments/Local bodies/PSUs may also participate as stakeholder for the development of new lines/gauge conversion project under the participative policy of MoR. The role of State Government is to facilitate early land acquisition and making available their share of funds as per the agreed terms & conditions of model. In case of JV model, State Govt./PSUs will have representation on the management of SPVs corresponding to its equity contribution. In all such PPP Projects, train operation continues to remain with Railway. The PPP mode has been found to be quite successful in Railways, especially in providing last mile rail connectivity to many ports and industrial clusters. The details of projects implemented, those under implementation and the projects which have been given in principle approval are as under:

<u>Projects under Participative Policy of MoR</u>

(i) Connectivity projects Implemented:

Sl. No.	Project Name/ Zonal Railway/ State	Model of	Cost	Kms	Compl- etion	Implementing Agency

		Partici-pative policy	(Rs. In crores)		Year	
1.	Surendernagar-Pipavav(GC) /WR/Gujarat,	JV*	373	271	2003	Pipapav Rail Corp Ltd (PRCL) (MoR -50%,GPPL 38.78%, IL&FS -6.12%, GIC 2.5%, NIA 2.5%)
2.	Hassan-Mangalore (GC) SWR/ Karnataka,	JV	293	183	2006	Hassan Mangalore Rail Development Corp Ltd (HMRDC) (MoR -40%, GoK- 40%, KRIDE – 2%, New Mangalore port trust 9%, MEL – 9%.)
3.	Gandhidham-Palanpur (GC) WR / Gujarat,	JV	550	301	2006	Kutch Railway Co Ltd (i)RVNL- 50%. ii) Kandla Port – 26%. iii)Govt of Gujarat –4% . iv) Mundra Port – 20%.)
4.	Bharauch-Dahej (GC) /WR/ Gujarat,	JV	395	63	2012	Bharuch Dahej Rail Co Ltd (BDRCL) ((i)RVNL-–35.46% ii) GMB –-11.51%, iii) Dahej SEZ Ltd-.-6.45%, iv) GNFC- 8.72%. v) Adani Petronet Dahej Port --11.17%. vi) Hindalco 8.72 %, vii) Jindal Rail Infrastructure- - 6.45 %. viii) GIDC - 11.51 %)
5.	Mundra Port Line / WR/Gujarat	NGR**	150	54	2003	Full Funding by Port/ NGR
6.	Mundra Port Double Line /WR/ Gujarat	NGR	250	54	2012	Full Funding by Port/ NGR
7.	Bhadrak – Dhamra Port New Line / ECoR/ Odisha	NGR	760	64	2011	Full Funding by Port/NGR
8.	Tuna Port /WR/ Gujarat	NGR	142	17	2015	Full Funding by Port/NGR
9.	Krishnapatnam - Venkatachalam – Obullavaripalle (NL) /SCR/ A.P	JV	1993	113	2019	Krishnapatnam Rail Co Ltd ((KRCL) i)RVNL- 49.76%, ii) Sagarmala Development Corp Ltd – 20 % iii). Krishnapattnam Port Company Ltd-12.96%, iv) Govt. of A. P- 5.60%, v) NMDC Ltd- 6.40% , vi) Brahamani Industries- 5.28%.)
	TOTAL		**4906**	**1120**		

***JV- Joint Venture;**
****NGR – Non-Government Railway**

(ii) Sanctioned projects : NGR & JV Model : under implementation:

Sl. No.	Project Name/ Zonal Railway/ Concerned State	Km	Cost (Rs. In crores)	Implementing Agency
1	Anugul –Sukinda ECoR/ Odisha	104	1921	JV Company Angul Sukinda Railway Ltd (ASRL) (i) RVNL- 31.5% ,ii) Jindal Steel & Power -10% iii). Govt. of Odisha-.-21.3% , iv) OMC--10.5%, v) IDCO.-7% , vi) CONCOR.-26%)
2	Haridaspur-Paradip ECoR/ Odisha	82	2681	JV Company Haridaspur Paradip Railway Co Ltd (HPRCL)

				(i) RVNL-.38.62% ii) GoO, 22.49% iii) Paradip Port Trust- 10.56%, iv) Essel Mining, 4.73 %, v) JSPL 0.79% ,vi) Rungta Mines Ltd- 4.73%, vii) OMC 14.64%, viii) MSPL- 2.36% ix) SAIL 0.79%. x) IDCO. 0.30%)
3	Digni – Jaigarh Port KRC/ Maharashtra	35	771	JV Company Jaigarh Digni Railway Ltd (JDRL) (Konkan RCL-26%, JSWJPL-63% MMB-11%)
4	Angul- Balram – Jarpada inner corridor of MCRL	64	1600	JV Company Mahanadi Coal Rail Ltd (MCRL) (MCL 64 %, IRCON 26 % & State of Odisha 10%)
5	Gevra Road-Pendra Road/ SECR/ Chhattisgarh,	135	4970	JV Company Chhatisgarh East West Railway Ltd (CEWRL) (IRCON-26%,SECCL-64% Govt. of Chhattisgarh-10%)
6	Kharasia-Dharamjaigarh – Ghargoda- Donga Mahua & Dharmjaygarh – Korba/ SECR/ Chhattisgarh ,	175+ 63	3055 + 1154	JV Company Chhatisgarh East West Railway Ltd (CERL) (IRCON-26%,SECCL-64% Govt. of Chhattisgarh-10%)
7	Rowghat-Jagdalpur/SECR/ Chhattisgarh,	140	2600	JV Company Bastar Raiway Pvt Ltd (BRPL) (Govt. of Chhattisgarh -10%, NMDC-52% ,SAIL-12% , IRCON-26%)
8	Shivpur-Kathautia ECR/Jharkhand	49	1799	JV Company Jharkhand Central Raiway Ltd (JCRL) (CCL-64%,IRCON-26%, Govt of Jharkhand – 10%)
9	Hamrapur- Rewas Port/ CR/ Maharashtra	26	349	JV Company having equity as RVNL-26% Rewas Port-74%
	TOTAL	**873**	**20900**	

(iii) Customer funded projects:

Sl. No.	Project	KM	Cost (Rs.Cr.)	Status
1	Hotgi- Kudgi section/SWR /Karnataka (Doubling) (14-15)	134	946	Under implementation
2	Manpur-Tilaiya-Bakhityarpur section/ ECR/Jharkhand,Bihar/ (Electrification) (14-15)	132	140	Completed
3	Lalitpur-Udaipura /NCR/U.P./(Electrification (15-16)	32	47.70	Completed
4	Balgona-Katwa Section /ER /W.Bengal/ GC (07-08)	26	595	Completed
5	Bhaktiyarpur Flyover including 3rd Line/ECR/Bihar / (07-08)	24	252	Under implementation
6	Khandwa-Nimar Kheri /WR/M.P.//GC (08-09)	42+ 9 km bypass	487	Completed
	TOTAL	**399**	**2467.7**	

(iv) New connectivity projects under participative policy of Ministry of Railways: In Principle approval given.

Sl. No.	Project Name Zonal Rly/ Concerned State	KM	Cost (Rs.Cr.)	Model of Participative Policy
1	New Bhubaneswar - Astrangra Port ECoR/ Odisha	75	1310	Non-Governmental Railway (NGR)
2	Bhimnath- Dholera Rail Link WR/ GujaratL	27	252	NGR Model (JV of DMIDC and GoG)
3	Chhara Port connectivity WR/ Gujarat	20	351	Non-Governmental Railway (NGR)
4	Hazira Port / (Sayan/Kim) WR/ Gujarat	47	734	Non-Governmental Railway (NGR)
5	Nargol Port connectivity WR/ Gujarat	11	82	Non-Governmental Railway (NGR)
6.	Roha – Dighi *	34	724	JV model (RVNL lead partner)
7	Indore – Manmad New Line Project	358	9968	JV Model (IPRCL lead partner)
	TOTAL	**572**	**13421**	

29. On being asked about the initiatives taken by Railways to rationalize the financially viable projects, the Ministry stated as under:

> "In order to utilize the available financial resources in focused manner, a thorough review of projects has been carried out and Railway Board has prioritized ongoing projects for implementation, based on stage of project implementation, importance to economy and sustainability of Railway operations as per following details:
>
> Fifty eight (58) doubling projects have been identified as Super Critical Projects. The length of these 58 Projects is 4,221 Km, costing Rs. 32,562 Crore. 1,723 Km have already been commissioned by March'19, leaving a balance of 2,498 Km with a throw forward of Rs. 8,434 Crore.
>
> Out of these 58 projects, 19 projects pertains to high density route (HDN) with balance length of 482 Km and 30 projects of highly utilized network of balance length of 1906 Km and other capacity enhancement projects as 9 nos. of balance length of 110 Km.
>
> Target has been set for completing these projects by December, 2021.
>
> Sixty eight (68) Projects (67 Doubling projects and one Gauge Conversion project) have been identified as Critical Projects. The length of these 68 projects is 5,839 km, costing Rs. 79,830 Crore. 142 km have already been commissioned by March'19, leaving a balance of 5,697 Km with a throw forward of Rs.72,257 Crore.
>
> Out of these 68 projects, 40 projects pertains to high density route (HDN) with balance length of 3520 Km and 28 projects of highly utilized network of balance length of 2177 Km.

Target has been set for completing all these projects by March, 2024.

With completion of these super critical & critical projects, all sanctioned projects on HDN & HUN routes would be completed."

30. In response to some specific queries on the 58 doubling projects, which have been identified as Super Critical Projects, the Ministry in their written reply elaborated as under:

"(a) The timely completion of any Railway project depends on various factors like quick land acquisition by State Government, forest clearance by officials of forest department, shifting of infringing utilities (both underground & over ground), statutory clearances from various authorities, geological & topographical conditions of area, law & order situation in the area of project site, number of working months in a year for particular project site due to climatic conditions, cooperation and zeal of State Government for early completion of project, encountering unforeseen conditions like earthquake, flooding, excessive rains, strikes of labour, orders of Hon'ble Courts, situation and conditions of working agencies/contractors etc. and all these factors affects the completion time & cost of the project & varies from project to project & site to site.

Further, 58 Super Critical Projects had been sanctioned in different years and works on them also commenced at different time period. Therefore, it is not possible to determine time taken to commission the length for all projects combined together. Nevertheless, every effort is being done to commission all these projects in given time frame.

(b) The approximate length planned for commissioning during 2019-20 is around 866 km.

(c) As far as Super Critical Projects are concerned, therer is no shortage of money and the funds have already been arranged through Institutional Financing which has increased Railways' capacity for committed fund provision for essential projects.

(d) Year wise, RE and Actuals for the current year as well as ensuing financial year can be provided at the end of Financial Year 2019-20. Nevertheless, the BE 2019-20 for these projects is Rs. 3742 crore.

(e) The commissioning of Railway Projects is done Block Section wise (01 Block section of around 08 km length) & in a block section, commissioning of railway project involves land acquisition by State Governments, forest clearance by officials of forest department, shifting of infringing utilities (both underground and over ground), statutory clearances from various authorities etc. on which money is continuously spent & once all approvals are received & execution of earthwork/bridges/track works of entire block section along with signaling/electrification works are completed, then only, the length of block section is commissioned.

Therefore, the relation between money spent & length commissioned is never a linear relation."

31. The Ministry informed that Actuals for Total Plan outlay for the year 2018-19 (Rs. 1,33,397 Cr.) has been increased by Rs. 31,392 Cr. from Actuals for the year 2017-18

(Rs.1,01,985 Cr.) which clearly indicated that there had been an increase of more than 30% in utilization of funds in 2018-19 vis-à-vis 2017-18. Asked to highlight the Heads where increased utilization had occurred, the Ministry submitted as under:

"Minor-Head wise expenditure in Actuals 2017-18 and Actuals 2018-19 (Provisional) is shown below –

(Rs in cr)

Minor-Heads	Actual 2017-18	Actual 2018-19
New Lines	8218	9407
Gauge Conversion	3302	4240
Doubling	11364	15389
Traffic Facilities	1227	1150
Computerisation	155	174
Railway Research	21	24
Rolling Stock	20322	28329
Lease Payment	7980	9112
Level Crossings	537	679
Road Over/Under Bridges	3176	3523
Track Renewals	8884	9690
Bridge Works	453	532
Signal & Telecom Works	1257	1538
Electrification Projects	3777	5943
Other Electrical Works	166	250
Traction Distribution Works	353	351
Machinery & Plant	369	445
Workshops incl Pus	1388	2103
Staff Welfare	251	284
Amenities for Staff	210	223
Passengers Amenities	1287	1586
Investment in PSUs		2904
Investment in JV/SPVs	4888	9774
Other Specified Works	211	288

Training/HRD	62	56
Metro Transport Projects	794	1164
Dividend-Free New Lines	989	1880
Inventories (Net)	157	270
EBR(Partnerships)	22116	24281
Credits/recoveries	*1929*	*2213*
Toal Capex	**101985**	**133377**

It would be seen that the expenditure in Actuals 2018-19 is higher in almost all Minor-Heads as compared to the expenditure in Actuals 2017-18. Minor-Heads where substantial increase is witnessed in Actuals 2018-19 are New Lines, Gauge Conversion, Doubling, Rolling Stock, Track Renewals, Electrification Projects, Workshops incl. Production Units, Investment in PSU/JV/SPVs and Dividend-Free New Lines (Udhampur-Srinagar-Baramula project)."

32. As regards allocation and utilization for Traffic facilities and Training/HRD, the Ministry apprised as under:

"Actual expenditure under Minor-Heads Traffic Facilities and Training/HRD in 2017-18 and 2018-19 is shown in the following table –

(Rs in cr)

Source	**RE 2017-18**	**Actual 2017-18**	***Utilisation***	**RE 2018-19**	**Actual 2018-19**	***Utilisation***
Traffic Facilities	1377.92	1226.51	*89.0%*	935.85	1149.71	*122.8%*
Training/HRD	116.43	62.09	*53.3%*	90.00	56.46	*62.7%*

It would be seen that in Actual 2018-19 under Minor-Head Traffic Facilities the utilisation of available funds has been 122.8% against 89% of 2017-18, which can be considered excellent. Under Minor-Head Training/HRD also the utilisation has increased from 53.3% of 2017-18 to 62.7% in 2018-19. Works like construction, setting up of training institutes, hostel rooms, class rooms, other infrastructure for departmental training facilities are taken up under this Minor-Head. Lesser utilisation under this Minor-Head is attributable to works, supplies of material not materializing and pace of progress of works being affected due to various other reasons.

The Accounts of Indian Railways, like other government Departments, are subject to audit by the Office of Comptroller & Auditor General of India. The Accounts are treated as provisional till the same are audited by the Office of C&AG of India."

IV. RASHTRIYA RAIL SANRAKSHA KOSH (RRSK)

33. As announced by Minister of Finance in his Budget Speech for 2017-18, a fund namely 'Rashtriya Rail Sanraksha Kosh (RRSK)' has been created with a corpus of Rs.1 lakh crore

intended over a period of five years for critical safety related works. Accordingly, a provision of Rs.20,000 crore was made in Budget Estimate (BE) 2017-18 out of RRSK to fund essential works for ensuring safety.

34. The Fund under RRSK shall be deployed to finance works under plan heads Rolling Stock, Level Crossings, Road Over/Under Bridges, Track Renewal, Bridge Works, Signal and Telecommunication Works, other Electrical Works, TRD Works, Machinery and Plant, Workshops and Training/HRD.

35. An independent 'RRSK Monitoring Committee' has been created and headed by CEO, NITI Ayog to regularly examine the RRSK performance. The RRSK progress/performance shall also be reviewed annually by the 'Cabinet Committee on Economic Affairs (CCEA)' headed by the Hon'ble Prime Minister.

36. When asked to explain whether RRSK was fulfilling the purpose for which it was created and the activities/ work/ progress made under this head since its inception as well as details of expenditure made out of RRSK during 2017-18 and 2018-19, the Ministry submitted as under:

> "RRSK has been created to finance critical safety related works of renewal, replacement & augmentation of assets. A total expenditure of over Rs.34000 cr has been incurred on such safety works in 2017-18 and 2018-19, while provision of Rs.20000 cr has been made in BE 2019-20. Thus the purpose of setting up the Fund for safety activities is being fulfilled to the maximum.
>
> Ministry of Finance has enumerated works to be undertaken through RRSK in its guidelines on the subject. Accordingly, RRSK is being utilized for financing identified safety related works under Minor Heads Track Renewal, Bridge Works, Signal & Telecom Works, Road Safety works of Level Crossings and Road Over/Under Bridges, Rolling Stock, Traffic Facilities, Electrical Works, Machinery and Plant, Workshops, Passenger Amenities and Training/HRD.

Minor Head wise details of expenditure out of RRSK in 2017-18 and 2018-19 are given below:

(Rs in cr)

Minor Heads	**RE 2017-18**	**Actual 2017-18**	**RE 2018-19**	**Actual 2018-19 (Prov)**
16-Traffic Facilities	788.55	654.02	350.09	498.23
18-Railway Research			0.0001	
21-Rolling Stock	2400.00	1099.10	1853.16	1637.28
29-Level Crossings	675.00	535.99	742.71	678.60

Minor Heads	RE 2017-18	Actual 2017-18	RE 2018-19	Actual 2018-19 (Prov)
30-Road Over/Under Bridges	4000.00	3175.23	4550.01	3488.82
31-Track Renewals	9304.58	8903.99	10111.68	9697.31
32-Bridge Works	700.00	451.34	500.31	516.72
33-Signalling and Telecom Works	1966.72	1201.01	1222.77	1461.29
36-Other Electrical Works incl TRD	490.00	350.24	400.00	349.79
41-Machinery & Plant	235.00	127.10	249.35	179.82
42-Workshops incl Pus	300.00	240.96	250.00	202.67
53-Passengers Amenities	670.00	462.55	1371.85	795.10
64-Other Specified Works			50.00	42.00
65-Training/HRD	110.00	58.00	75.00	48.01
Credits/recoveries	*1639.85*	*1168.8*	*1726.93*	*1580.31*
Total	**20000.00**	**16090.73**	**20000.00**	**18015.33**

37. As per BE 2018-19, an amount of Rs. 5000 Cr. was to be appropriated to the Rashtriya Rail Sanraksha Kosh (RRSK) while only Rs.3023.86 Cr. were appropriated in Actuals during the same year. Asked to explain the reason for appropriating only 60% of the earmarked amount, the Ministry reasoned as under:

> "In BE 2018-19, Rs.5000 cr were proposed towards RRSK from Internal Resources. However, in Actual 2018-19 (Prov), Rs.3015 cr have been provided for RRSK. The adverse resource position during the course of the year did not permit desired level of funds to be transferred to RRSK. However, sufficient funds were provided to cover the entire expenditure under RRSK during these years."

38. Drawing attention of the Ministry to the Committee's earlier Reports on DFG wherein concerns were raised on the funding of RRSK, the Committee asked about the concrete measures taken to bring about improvement in that direction. In reply, the Ministry stated as under:

> "In 2017-18 and 2018-19 the Budget provision for RRSK was for Rs.20000 cr, including Rs.5000 cr from Internal Resources, as per the funding mechanism of the Fund approved by Ministry of Finance. The adverse resource position during the course of the year did not permit desired level of funds from internal resources being transferred to RRSK in 2017-18 and 2018-19. However, sufficient funds were provided to cover the entire expenditure under RRSK during these years.
>
> The Railways have been asked to prioritise their works and incur expenditure as per priority and availability of resources, so that sufficient funds to important safety works are ensured."

39. Asked to provide the details of appropriation made to Rashtriya Rail Sanraksha Kosh (RRSK) in 2019-20 from all sources and specific measures taken to achieve the target of Rs 1 Lakh Cr in RRSK in 5 years, the Ministry in their written reply submitted as under:

"The financing pattern for RRSK in BE 2019-20 as per Union Budget approved format, is indicated below:

(Rs in cr)

	Outlay	*of which -*	
Rashtriya Rail Sanraksha Kosh	20000.00	*Addl. Budgetary Support*	*5000.00*
		Central Road & Infrastructure Fund	*10000.00*
		Internal Resources	*5000.00*

While contribution of Rs.15000 cr from Gross Budgetary Support has been appropriated to RRSK steadily over 2017-18, 2018-19 and 2019-20 (BE), adverse resource position during the previous years did not permit desired level of funds being transferred to RRSK from Internal Resources. The Railways have been asked to prioritise their works and incur expenditure as per priority and availability of resources, so that sufficient funds to important safety works are ensured. All efforts will be made to achieve the target of Rs.1 lakh crore with contribution from GBS and Internal Resources."

40. The Ministry were further requested to define the receipts in clear/unambiguous terms about the appropriation out of Rs. 15000 crore year-wise, the Ministry in their written reply submitted as under:

"Details of financing under Rashtriya Rail Sanraksha Kosh during the financial years 2017-18, 2018-19 (Prov) and 2019-20 (BE) are shown in the following table-

(Rs. in cr.)

RRSK	**Actual 2017-18**	**Actual 2018-19 (Prov)**	**BE 2019-20**
Outlay/Expenditure	16090.75	18015.33	20000.00
Additional Budgetary Support for RRSK	5000.00	5000.00	5000.00
Contribution from Central Road & Infrastructure Fund	10000.00	10000.00	10000.00
Contribution from IR's Internal Resources	1090.75	3015.33	5000.00

V. RAILWAY REVENUE

41. Gross Traffic Receipts (GTR) during the year 2015-16 to 2018-19 and the BE for 2019-20 were stated to be as under:

(Rs. in cr.)

Sl.No.	Year	BE	RE	Actuals
1	2015-16	183578	167834	164333.51
2	2016-17	184819.84	172155.0	165292.20
3	2017-18	188998.37	187225	178725.32
4	2018-19	200840	196714	189906.58
5	2019-20	216675		

42. Asked about the reasons for keeping the targets of Gross Traffic Receipts at higher side at BE stage, revising at RE stage and not achieving the revised targets during the above-mentioned years, the Ministry apprised as under:

> "BE targets are basically estimates based on certain assumptions before the commencement of a fiscal which are subsequently modified at RE stage taking into account the trends during the year as a part of budgeting exercise. Target of traffic receipts for a year at BE stage is decided taking into consideration the traffic plan as also other tariff and non-tariff measures to be undertaken during the year. Further, the targets are usually kept at a reasonably challenging level so as to encourage the entire set up to achieve it by mobilizing itself. Since most of Railways' traffic receipts (about 90%) comes from two major segments of Railways' earnings i.e. passenger and goods, upward or downward revision of Gross Traffic Receipts target or actual achievement there-under largely depends upon the performance under these segments during the year. During the years in question, subdued performance under these two segments led to the downward revision or lower achievement in GTR.
>
> Currently, Railways' passenger and freight business are confronting intense competition from low cost airlines and speedily expanding road sector respectively. Further, a higher target under Sundry other earnings was kept in BE/RE stages of 2017-18 and 2018-19 as a part of Railways' attempt to increase the share of non-fare revenues in total receipts of Railways through various means including land monetization. However, Railways' limited success in raising revenues through land monetization led to downward revision or lower achievement in sundry earnings during these years.
>
> A statement indicating the position in 2015-16, 2016-17, 2017-18 and 2018-19 is shown above. It may be seen therefrom that in each of these years the Gross Traffic Receipts (GTR) have been revised downwards at RE stage vis-à-vis BE and the actual achievement has also been lower than the RE target in each of these years. However, it may be appreciated that the actual GTR during all these years have witnessed an upward year-on-year growth. Major reasons for downward revision of GTR from BE to RE and decline from RE to Actuals are summarized below:
>
> 2015-16
>
> - Drop in originating passengers – both in sub-urban and non-suburban segments at RE level vis-à-vis BE and in non-suburban segment in Actuals vis-à-vis RE.

- Massive drop in loading and average freight lead at RE level vis-à-vis BE and further drop in loading and average freight lead in Actuals vis-à-vis RE.

2016-17

- Drop in originating passengers – in non-suburban segment in RE vis-à-vis BE and in Actuals vis-à-vis RE

- Drop in loading and average freight lead in RE vis-à-vis BE and in average freight lead in Actuals vis-à-vis RE.

2017-18

- Drop in originating passengers – in non-suburban segment in RE vis-à-vis BE and drop in average sub-urban lead in actuals vis-à-vis RE

- Trend of lesser average freight lead in RE vis-à-vis BE and less loading in Atuals vis-à-vis RE.

- Very low growth in other coaching earnings

- Remittance of dividend receipts from Railway PSUs to General Revenues which hitherto used to be part of Railways' sundry earnings and lesser mobilization under land monetization.

2018-19

- Drop in originating passengers – in non-suburban segment in RE vis-à-vis BE and drop in average passenger lead in actuals vis-à-vis RE

- Trend of lesser average freight lead in RE vis-à-vis BE and less loading in Atuals vis-à-vis RE.

- Low growth in other coaching earnings

- Non-materialisation of revenue target from land monetization.

43. Asked to state the measures taken/proposed to optimally achieve the targets of Rs. 216675 Cr. for Gross Traffic Receipts fixed during 2019-20, the Ministry explained as under:

> "The GTR target of Rs. 2,16,675 cr in BE 2019-20 assumes a growth of 14.1% over 2018-19 Actuals. This target, apart from being based on a 4.3% growth in loading and 1.8% growth in passengers also relies on a very ambitious growth (65%) in sundry other earnings comprising non-fare revenue sources like monetisation of land, advertisement and publicity etc and 34% growth in other coaching earnings. Further as an ongoing process, all necessary measures have been / are also being taken, some of which have been listed below:

Freight Earnings:

To make the rail transportation attractive to its customers, various initiatives have been taken which include tariff rationalisation, classification of new commodities and expansion of freight basket through containerisation. Some of the major steps which have been taken in last four years to generate additional revenue are as under:-

(i) Long Term Tariff Contract with key freight customers.
(ii) Introduction of new delivery model of Double Stack Dwarf Container.
(iii) FAK rate benefit extended to notified commodities loaded upto 50 TEUs per rake which was earlier 30TEUs per rake.
(iv) 25% discount granted for movement of empty container and empty flat wagon in container traffic.
(v) Introduction of Advance Freight scheme.
(vi) Rationalisation of Station to Station Rates.
(vii) Increase in Permissible Carrying Capacity (PCC) of BFNSM 22.9 wagon.
(viii) Introduction of Customer friendly rationalisation of weighment policy.
(ix) Liberalised Automatic Freight Rebate Scheme in Empty Flow Directions.
(x) Withdrawal of Port Congestion Charge.
(xi) Proliferation of Roll-on-Roll off Service on Indian Railways.
(xii) Withdrawal of levy of congestion charge for stone traffic transported from Eastern
Railway to Bangladesh via Darsana/Benapole.
(xiii) Withdrawal of Inflation in distance for charge @ 50% on goods traffic in Bibinagar Nadikudi section of SCR.
(xiv) Rationalisation of Coal Tariff.
(xv) Withdrawal of Dual Freight Policy of Iron Ore traffic.
(xvi) Reduction in minimum distance for charge from 125 km to 100 km.
(xvii) Expansion of the freight basket – Additional 44 commodities have been de-notified from the notified list and brought under FAK rates.
(xviii) Dispensation from mandatory (100%) weighment in case of loading of "Standard Bags of uniform size" when transported in container.
(xix) Discount for loading of bagged consignment in open and flat wagons.
(xx) Rationalisation of Merry-Go-Round (MGR) scheme.
(xxi) Permitting all covered wagons for booking of traffic to two-point/multi-point combinations, mini rake.
(xxii) Recently, freight rate has been further rationalized with effect from 01.11.2018, having following features: i. Increase in freight rate of Coal, RMSP (Raw material for steel plants) , Iron & Steel, Iron ore , Other goods @ 8.75 %. ii. Increase in haulage charge of Container trains @ 5 % w.e.f 01.12.2018. iii. No increase in freight of Food grains, Chemical Manure, Flour, Pulses, POL, Sugar, Salt, Edible oils and Cement as these are essential commodities or already at high rate.
(xxiii) Further to attract more freight traffic, busy season surcharge levied at 15% during 1st October-30th June period has been deferred(except for iron ore & POL) till further orders.
(xxiv) Supplementary charges on mini and two point rakes have been waived.
(xxv) Round trip charging on container traffic rationalized
(xxvi) Large scale denotification of commodities for container traffic
(xxvii) New freight marketing initiatives like new modified goods car rake, rationalisation of Road Railer with 4 new weight slabs and relaxation of weight and weighment conditions of perishable commodities introduced.

(xxviii) Measures like Pan-India implementation of eT-RR and weighment related reforms introduced for ease of business and digitisation.

Passenger Earnings:

The other measures taken/being taken by Railways which increase the revenue from passenger traffic are:

i. The concept of Premium Tatkal Quota has been introduced w.e.f. 01.10.2014 on dynamic fare.

ii. The concept of special trains on special charges (10% higher for second class reserved and 30% higher for other classes) have been introduced on higher fares from May 2015. For unreserved second class fare is equivalent to fare of second class (unreserved) for superfast Mail/Express trains. Additional earnings have been generated.

iii. From 01.07.2015 the concept of Suvidha specials have been introduced on variable fare structures. For unreserved second class fare is equivalent to fare of second class (unreserved) for superfast Mail/Express trains. Additional earnings have been generated.

iv. Rationalization of tatkal fare scheme with effect from 25.12.2015.

v. Flexi fare scheme has been introduced in Rajdhani, Shatabdi and Duronto trains with effect from 09.09.2016.

vi. 10% discount on vacant berths/seats after preparation of first chart is granted in all reserved trains with effect from 01.01.2017. Earnings from booking after preparation of first chart has been increased from 769 crore during 2016-17 to 1024 crore during 2017-18.

vii. Discounted fare in Shatabdi trains over 4 sections viz. Bengaluru-Mysuru, Mysuru-Bengaluru, Ahmedabad-Vadodara and Jalpaiguri-Malda Town sections. Both occupancy and earnings have been increased.

viii. To facilitate second class passengers, sleeper class coaches running underutilised have been de-reserved over certain sections as second class unreserved on second class (unreserved) fare.

ix. After successful implementation in 4 sections over Bengaluru-Mysuru-Bengaluru section, the power has been delegated to Zonal Railways to declare AC-3tier coaches (underutilised over particular section) as AC Chair Car on AC Chair Car fare, which is lower than the AC-3tier fare. Both occupancy and earnings have been increased.

x. Flexi Fare scheme has been rationalized w.e.f. 15.03.2019 as under:-

(I) Discontinuation of Flexi Fare scheme (Rajdhani, Shatabdi and Duronto Express trains) from 15 trains fully and from 32 trains during pre defined lean period of 3 months (February, March & August). Out of these, during pre-defined lean period, Flexi Fare has been withdrawn from 5 Rajdhani Express trains.

(II) Maximum cap of Flexi Fare scheme has been reduced to 1.4 times from 1.5 times earlier in all Flexi Fare applicable classes.

(III) In case of flexi fare trains i.e., Rajdhani, Shatabdi, Duronto train and Humsafar trains where class-wise occupancy is less than 60% four days prior to scheduled departure of train graded discount is given as under:-

Occupancy	Discount
Up to 70%	20% on last fare
70 to 80%	10% on last fare
Above 80%	Nil

This shall however be subject to charging of minimum basic fare and other applicable supplementary charges.

xi. Further, the fare structure and composition of Humsafar trains have been rationalised to give further boost to passenger traffic and earnings."

44. During evidence, the representatives of the Ministry of Railways informed as under:

"Our 23000 Km networks are those which we call highly used network. A network of 34000 Km is highly congested. We were running 130 trains at some places which have a design capacity of 100 trains. It was resulting in safety problems, punctuality problems and we were not able to run additional trains as per demands of the people. We have focussed on that 34000 Km network as 96 per cent traffic runs on this very network while the remaining 30000 Km network has only 4 per cent traffic. There are no major problems on the remaining 30000 Km network of branch lines etc., but we have focussed on this 34000 Km section. Keeping in view the budget allotment for the next three years, we have identified a network of 14000 Km for the period. Three thousand Km in high density network is super critical for us. We require nearly Rs. 7000 crore for that. We have informed the Ministry of Finance in this regard and we have told that we shall get the required funds. Similarly, there is a network of 11000 Km, which we consider critical and require funds to the tune of Rs. 75000 crore. We have informed the Ministry of Finance about this as well and we are hopeful for that. For the next three to four years, we are going to work in a focussed manner on our critical sections where traffic has saturated. I am fully hopeful that by the manner in which our officers and employees are working, we will achieve the targets. Our vision, our dream for the coming days is that we run trains as per demand. We want to create capacity keeping the demand in view. Our 3000 Km Delhi-Mumbai and Delhi-Kolkata section is most congested section of Indian Railways. Specially, Allahabad, Kanpur, Mughal Sarai and Patna sections are highly congested. Keeping this in view, we have started work at a very fast pace on Delhi-Mumbai and Delhi-Kolkata freight corridor. We have received sufficient funds for this. We target to commission dedicated freight corridor of nearly 3000 Km in the next two years i.e. December, 2021. After commissioning of dedicated freight corridor, all the freight trains will run on that corridor and we shall be able to run more and more passenger trains on our existing Delhi-Mumbai and Delhi-Kolkata network."

45. Regarding the number of times the reduction by more than 50% from the Budget Estimate to Revised Estimates occurred, the Ministry in their written reply submitted as under:

"The Net Revenue position from 2010-11 is given below.

(Rs. in cr)

Year	**BE**	**RE**
2010-11	9781.55	9021.86
2011-12	11993.13	7144.39
2012-13	22233.07	15748.91
2013-14	19396.00	15782.82
2014-15	15198.74	16452.59
2015-16	25076.46	19897.84
2016-17	18210.64	7695.00
2017-18	8948.37	6425.00
2018-19	12990.00	6014.00

As can be seen from the above table that during 2016-17 and 2018-19, Net Revenue in RE has got reduced by more than 50% over BE."

46. For the year 2019-20, Net Revenue target has been kept at Rs 9035 Cr i.e. more than double of the actual of 2018-19 i.e. Rs 3773.86 Cr. Asked to explain the steps taken to achieve the Net Revenue target in 2019-20, the Ministry in their written reply submitted as under:

"It may be appreciated that the Net Revenue of Railways has shown signs of improvement in 2018-19 vis-a-vis 2017-18. The Net Revenue target of Rs. 9,035 cr in BE 2019-20 is based on an estimated growth of 13.8% in total receipts and 11.3% growth in total revenue expenditure over Actuals of 2018-19. Accordingly, a 4.3% growth in loading and 1.8% growth in passengers has been kept. The railways have also initiated a slew of measures aimed at enhancing passenger earnings. To attract more freight traffic, Railways have recently waived "busy season" surcharge and have introduced several freight incentive customer friendly measures. In sundry other earnings comprising non-fare revenue sources like monetisation of land, advertisement and publicity etc, a very ambitious growth target (65%) has been kept. On the other hand, the trend of expenditure is being monitored very closely so that the budgeted Net Revenue target could be achieved."

VI. OPERATING RATIO

47. The Operating Ratio of the Indian Railways since 2015-16 was stated to be as follows:

(Rs. in cr.)

Sl.No.	Year	BE	RE	Actuals
1	2015-16	88.5	90	90.5
2	2016-17	92	94.9	96.5
3	2017-18	94.57	96	98.4
4	2018-19	92.8	96.2	97.29
5	2019-20	95		

48. It may be observed that Operating Ratio of Railways has been above 95 since 2016-17 though it has been slightly improved during 2018-19 i.e. 97.29 compared to 98.4 in 2017-18. It is seen from above that at BE 2018-19 operating ratio was estimated to be at 92.8 percent which was revised upward to 96.2 percent at RE while actuals remained at 97.29. Further, BE for the year 2019-20 has been kept at 95 percent. Asked to explain the factors that have contributed to upward trend of Operating Ratio during 2016-17, 2017-18 and 2018-19, the Ministry submitted as under:

"In 2016-17, sharp rise in staff cost due to implementation of 7th CPC coupled with drop in goods earnings primarily contributed to rise in Operating Ratio. In 2017-18, shortfall in passenger, other coaching and sundry other earnings vis-à-vis the RE targets and the implementation of revised allowances pursuant to 7th CPC recommendations were the main reasons for rise in Operating Ratio. In 2018-19, though the Operating Ratio at 97.3% is marginally lower than that of 2017-18, the same remained high due to continuing pressure of 7th CPC on Ordinary Working Expenses & Pension expenditure on the one hand and subdued growth in traffic earnings on the other."

49. The Committee then desired to know the short-term and long-term measures taken/proposed to improve and contain the Operating Ratio to an appreciable limit. In reply, the Ministry stated as under:

"It is difficult to suggest as to what should be an appropriate or ideal Operating Ratio for Railways. However, Railways' Operating Ratio in a year should be considered reasonable if it ensures adequate Net Revenue for catering to Railways' Capex needs from internal resources during the year after fully meeting its revenue expenditure.

As regards the growing value of Operating Ratio in recent years, this Ministry is equally concerned with the occasional rise for factors not entirely within the control of this Ministry. For example, the impact on staff cost arising out of periodic pay commissions, occasional slowdown in the economy adversely affecting the passenger and freight business, developmental priorities of the Government like expansion of road sector/low cost airlines affecting competitiveness of Railways' freight and passenger business and the ever growing social service obligations of Railways are some of the factors which reflect adversely on its Operating Ratio. Nevertheless, it has been a continuing endeavour of Railways to watch and improve on its operating ratio to the utmost. However, vagaries of certain costs like fuel for traction, pay commission, stores and demand side of the economy cannot be accurately assessed.

With thrust on certain capacity improvement works like Dedicated Freight Corridor, doubling/quadrupling and electrification etc, it is expected that the traffic throughput would substantially grow. Further with gradual introduction of passenger and freight incentives, exploration of non-fare revenue sources, and rationalisation of expenditure, it is expected that traffic earnings vis-à-vis the total working expenses will get a boost which would help improve the operating ratio to a reasonable level."

VII. NEW LINES, GAUGE CONVERSION AND DOUBLING

50. As regards new lines, gauge conversion and doubling projects, the following data was furnished to the Committee:

Plan Head	2016-17		2017-18		2018-19			2019-20
(Physical Target)	Revised Target	Achievement	Revised Target	Achievement	BE Budget Target	Revised Target	Achievement	Budget Target
New Lines (Route Kms)	900	953	402	409.42	1000	1000	479.54	500
Gauge Conversion (Route Kms)	900	1020	574	453.52	1000	1000	596.8	600
Doubling (Route kms)	1050	882	945	998.88	2100	2100	1519.34	1900

51. When asked to enumerate the reasons for not achieving the revised target in New Line Construction and Gauge Conversion during the year 2018-19, the Ministry explained as under:

"In the year 2018-19, Indian Railways have targeted commissioning of 1000 km of New Line and 1000 km of Gauge Conversion. However, commissioning of New line has been achieved as 479.54 km and that of gauge Conversion has been achieved as 596.8 km. The reasons for shortfall and achievement is enumerated as under:-

• Railway Board gives quite optimistic targets to Zonal Railways in the beginning of the year, so that, Zonal Railways can achieve higher progress. Indian Railways achieved commissioning of 3596 Km of New Line, Gauge Conversion & Doubling Projects during 2018-19, which is the ever highest progress so far in the history of Indian Railways.

Similarly, during 2018-19, doubling of 2519 Km (including 1000 Km of DFC track) has been achieved and the same is also the ever highest progress in the history of Indian Railways.

The average per day commissioning of New Line, Gauge Conversion & Doubling projects has been 9.85 Km per day in 2018-19, which is highest ever progress, as, the same was only 4.1 Km per day during the period from 2004-14. Thus, per day commissioning during 2018-19 was 140% more w.r.t. that during 2004-14.

Also, commissioning of New Line during 2014-19 was 3035 Km against 1727 Km during 2009-14, which is 176% of 2009-14.

Also during this period, Mega Iconic Rail cum Road Bogibeel bridge across Brahmaputra river near Dibrugarh got commissioned, leading to reduction in Rail travel distance by 705 Km via Guwahati from Dibrugarh to Naharlagun (Itanagar), Arunachal Pradesh.

In addition to above during 2018-19 itself, 111 Km long important New Line Coal movement project named Giridih-Koderma in Jharkhand State and 89 Km long New Line Coal movement project named Tori-Shivpur (Jharkhand) were commissioned and International connectivity project between India & Bangladesh named Haldibari International Border project (3 Km length) in the State of West Bengal was completed.

Also, during the same year, 126 Km long New Line cement movement project named Nandyal-Yarraguntla in the State of Andhra Pradesh and 36 Km New Line project named Maharajganj-Masrakh in the State of Bihar were completed & commissioned in all respect.

The Budget Outlay for New Line, Gauge Conversion & Doubling projects during 2018-19 was Rs. 30696 Crore, against which, the actual expenditure done by Railway was Rs. 30895 Crore. Thus, the expenditure done was more than funds allotted.

From the above, it is concluded that, all out sincere efforts have been done by Railway in achieving the targets w.r.t. the resources made available.

52. The Ministry further stated as under:

"• Commissioning of New Railway line involves land acquisition by State Governments, forest clearance by officials of forest department, shifting of infringing utilities (both underground and over ground), statutory clearances from various authorities, encountering unforeseen conditions like earthquake, flooding, excessive rains, strikes of labor, order of Hon'ble Courts etc & all these factors affect the completion time and cost of the projects.

- However, due to enactment of new land acquisition Act of 2013, the land acquisition became a daunting task & extremely time consuming activity. Similarly, time taken in forest clearances was much more than anticipated, leading to slow progress.

- In addition, there have been large number of cases of local resistance against the land acquisition for new line projects, leading to delay.

- Thus, pace of execution of project & commensurate expenditure on a project is depending on large number of above mentioned factors, which themselves are sometimes interdependent, unpredictable in nature & differ from project to project, location to location as well.

Nevertheless, all out sincere efforts have been & would be made by Indian Railways in early commissioning of New Line & Gauge Conversion Projects."

53. As per Annual Report 2017-18, out of total 68442 Route Kms, 3200 Route Kms (4.67%) are meter gauge and 1751 Route Kms (2.55%) are narrow gauge. Asked about the action plan of gauge conversion, the Ministry in their written reply submitted as under:

"Gauge Conversion is an ongoing exercise by Indian Railways to achieve uniformity in rail gauge to the extent possible. Conversion of meter and narrow gauge railway lines to broad gauge contributes to efficiency by way of avoiding transshipment, increase in speed, and increase in the freight-carrying capacity and higher productivity.

As on 01-04-2019, the executable (after receiving all Govt. approvals) meter gauge/narrow Gauge is 2526 km & the detailed status of Gauge Conversion of Meter gauge/narrow gauge lines is as under:

Status of Meter Gauge (MG) & Narrow Gauge (NG) Tracks

Present Scenario:

- Total Length of MG & NG – **4665.32 Km** *(MG-2777.22 Km + NG-1888.10 Km)*
- Included in Budget for GC – **3717.38 Km** *(MG-2693.28 Km + NG-1024.10 Km)*
- Not included in Budget for GC – **947.94 Km** *(MG-83.94 Km + NG-864 Km)*

Status of included lines:

Length included in Pink Book – **3717.38** *(MG-2693.28 Km + NG-1024.10 Km)* & the breakup is as below:-

- Included but requisite approvals yet to be received – **214 Km** *(MG-110 Km + NG-104 Km)*
- Included but decided not to execute – **977 km** *(MG-775 Km + NG-202 Km)*
- Included & all Govt. approvals received –**2526.38 Km** *(incl. 65 km to be executed in JV mode)*

Status of not included lines:

Length not included – **947.94** Km *(83.94 Km-MG+864 Km NG)* & the breakup is as below:-

- Not included & identified as **Heritage line** – **533 Km** *(MG-45 Km,NG-488 Km)*
- Not included being **Private** lines – **223 Km**.*(NG)*
- Not included as decided not to execute – 191.94 **Km**

54. Regarding the current position in respect of level crossings (manned and unmanned) across the Indian Railways, the Ministry in their written reply submitted as under:

"Current position of level crossings (as on 01.11.2019):

Level crossings	**BG**	**MG**	**NG**	**Total**
Manned	20213	136	211	**20560**
Unmanned	Nil	348	700	**1048**

All UMLCs on BG have been eliminated in Jan.' 2019"

55. As per the information provided by the Ministry 2526 km meter gauge/narrow gauge is executable to broad gauge. Asked about the section which is to be executed through JV mode out of the total executable 2526 km of meter gauge/narrow gauge, the Ministry in their written reply submitted as under:

"Katosan to Chanasama (52 km) and Chanasama to Ranuj (13 km) under Western Railway is being executed in JV mode with state government of Gujarat."

56. As regards, the 233 km (NG) shown as private line, the Ministry have provided the following details:

"Details of 223 Km privately owned railway lines are given below :

Rly	State	Name of Section	Gauge	Length (Km)
CR	Maharashtra	Yavatmal-Murtjapur-Achalpur	NG	188
CR	Maharashtra	Pulgaon-Arvi	NG	35
TOTAL				223

57. Regarding 191.94 Km which has been decided not to execute, the details of such lines were stated to be as under:

"Details of 191.94 Km line which has been decided not to execute are given below:
Reasons: Gauge Conversion of following lines is operationally not required.

Rly	State	Name of Section	Gauge	Length (Km)
WR	Gujarat	Kosamba-Umarpada	NG	62
WR	Gujarat	Chhuchhapura-Tankhala	NG	38
WR	Gujarat	Jhagadiya-Netrang	NG	27
WR	Gujarat	Jambusar-Kavi	NG	26
NE	UP	Gainsari-Jarwa	MG	15
NF	Assam	Simaluguri-Naginimora	MG	10.94
NF	Assam	Tirap-Lekhapani	MG	6
NF	Assam	Dekargaon-Tezpore	MG	7
Total				191.94

VIII ROLLING STOCK

58. The financial and physical targets set and achieved in Rolling Stock during the last three years were reported to be as under:

Physical Targets & Achievements

Rolling Stock								
	2016-17		2017-18		2018-19		2019-20 (Upto Sept'19)	
Type	**Target**	**Actual**	**Target**	**Actual**	**Target**	**Actual**	**Target**	**Actual**
Coaches	4302	4321	4659	4494	6058	6076	8026*	3506
Locomotives	660	658	642	673	695	754	725*	397

* This is target for the full year 2019-20

Wagon	**2016-17 (Till Sept)**	
	Physical Target	**Physical Achievement**
	5496	4468
	2017-18 (Till Sept)	
	Physical Target	**Physical Achievement**
	3560	3643
	2018-19 (Till Sept)	
	Physical Target	**Physical Achievement**
	5496	3587
	2019-20 (Till Sept)	
	Physical Target	**Physical Achievement**
	6499	5702

Financial Targets & Achievements

(Rs. in crores)

	RE 2016-17	Actual 2016-17	RE 2017-18	Actual 2017-18	RE 2018-19	Actual 2018-19	BE 2019-20
Locomotives	9682.30	10249.90	9742.45	8703.41	10379.04	10221.32	10546.67
Carriages	8369.72	6305.40	10442.04	9501.83	11247.64	15295.82	15198.86
Wagons	3820.67	3081.18	5639.65	1563.20	6122.08	2596.52	7860.73
Total	21872.69	19636.48	25824.14	19768.44	27748.76	28113.66	33606.26

59. Asked to state the life span of locomotives, coaches and wagons and the number of rolling stock which were still in operation even after they outlived their codal life, the Ministry in their written reply, submitted as under:

"**Remarks for electric locos**

- The codal life of electric locomotives is 35 years.
- As on 15.10.2019, 48 electric locomotives are in service which have completed their codal life.
- Electric Locos which have completed codal life are inspected by officers of the concerned Railway and taking into consideration condition of the locomotive in terms of safety, decision for its condemnation/continuation in service is taken.

Remarks for Diesel locos

- The life span of Diesel locomotives 36 years. Presently, no overaged diesel locomotives in mainline operation after completing its prescribed life span

Mainline passenger coaches: The codal life of ICF type passenger coaches is 25 years and for LHB type coaches is 35 years. Systems are in place in order to ensure that passenger coaches that have completed their prescribed service life or are unfit for service, are not allowed in train service over IR."

60. As per the information provided by the Ministry, there were 48 electric locomotives in operation despite having outlived their codal life. Asked about the total length of their service after completion of their codal life, the intervals of inspection conducted by the officials for judging further operation and utilization of those locomotives, the Ministry in their written reply informed as under:

"Locomotives which have completed their codal life, are used in inferior* services. The length of service of over-aged locos after completion of codal life depends on the requirement of traffic and is between 1 month to 11 years (approx.) as on 31.10.2019.(Inferior*: services related with yard shunting, marshalling and piloting works)

Generally over aged locomotives are not put in regular services. For continue usage of electric locomotives into services, the condition of locomotive is assessed before putting into service. These locos are inspected by officers of the concerned Railway and taking into consideration condition of the locomotive in terms of safety, decision for its condemnation/continuation in service is taken. These locomotives, if found fit for services, undergo all minor scheduled inspections depending upon class of locomotives which is usually once in 15-20 days (Trip Inspection), and/or 40 to 135 days (IA, IB & IC) and are usually utilized only for shunting purposes in yards.

Their average life span of utilisation depends upon the condition of the locomotive."

61. As regards the sectors and trains on which those locomotives have been deployed and the magnitude of the risk, the Ministry submitted as under:

"Over-aged locos are used for inferior* services, deployed for shunting in yards to avoid the underutilisation of underage locomotives. (Inferior*: services related with yard shunting, marshalling and piloting works)

Since these locomotives undergo thorough inspection on completion of codal life and all the minor inspection schedules, risk factor is comparable to those locomotives which have not completed their codal life used for similar services. Decision on discontinuation of service of a locomotive is taken on the basis of condition cum age basis."

62. When asked about the number of diesel locomotives and passenger coaches still in operation after outliving their codal life and the lines on which those overaged diesel locomotives were in operation, the Ministry explained as under:

"No overage coaches are running in Mail/Express/Passenger mainline trains. The codal life of ICF type passenger coaches is 25 years and for LHB type coaches is 35 years. Systems are in place in order to ensure that passenger coaches that have completed their prescribed service life or are unfit for service, are not allowed in train service over IR.

Presently 33 overaged diesel locomotives are in operation based on their condition. These locomotives are used only in inferior services i.e. shunting and departmental services after being certified by competent authority."

IX LAND MANAGEMENT IN INDIAN RAILWAYS

63. As on 31.03.2019 Indian Railways (IR) owns about 4.78 lakh hectares of land. About 90% of this land is under Railways' operational and allied usages such as laying of new lines, doubling, gauge conversions, track, stations, workshops, staff colonies etc. The break-up of the land is as under:-

S.No.	Description	Area (in lakh hectares)
1.	**Tracks and structures including Stations, colonies, etc.**	3.66
2.	**Afforestation**	0.43
3.	**'Grow More Food' scheme**	0.03
4.	**Commercial Licensing**	0.04
5.	**Other uses like pisciculture**	0.10
6.	**Encroachment**	0.01
7.	**Vacant land**	0.51
	Total	**4.78**

64. Asked to furnish the details of land (area in hectare) presently under encroachment (Zone-wise) and action taken to remove unauthorized occupation, the Ministry replied as under:

"As on 31.03.2019, out of 4.78 lakh hectare land available with Indian Railways, approximately 821.46 hectare land (0.17%) is under encroachment. Zone-wise details maintained by Railways are as under:-

Zonal Railway	Land under encroachment (in Hectares)
Central	56.10
Eastern	20.52
East Central	1.71
East Coast	13.95
Northern	183.10
North Central	41.49
North Eastern	25.39
Northeast Frontier	95.00
North Western	18.38
Southern	55.42
South Central	16.43
South Eastern	141.75
South East Central	43.57
South Western	16.26
Western	51.94
West Central	34.73
Production Units	5.74
Total	821.46

For prevention/removal of encroachments, Railways carry out regular surveys of encroachment and take action for their removal. If the encroachments are of temporary nature (soft encroachments) in the shape of jhuggies, jhopris and squatters, the same are removed in consultation with and the assistance of Railway Protection Force and local civil authorities. For old encroachments, where party is not amenable to persuasion, action is taken under Public Premises (Eviction of Unauthorized Occupants) Act, 1971 (PPE Act, 1971), as amended from time to time. Actual eviction of unauthorized occupants is carried out with the assistance of State Government and police."

65. When asked to state the number of encroachments on Railway Land detected and removed during the last 10 years and the action plan of Railways to remove all the encroachments, the Ministry submitted as under:

"The removal of encroachment is a continuous process. The position of area retrieved from encroachment during the last 10 years i.e. from 2009-2019 is as under:-

Area Retrieved from encroachment since 2009	(figures in Hectare)
2009-10	28.95
2010-11	253.96
2011-12	40.77
2012-13	21.07
2013-14	24.53
2014-15	28.45
2015-16	35.33
2016-17	17.78

2017-18	16.68
2018-19	24

66. When asked about the measures taken for safeguarding the Railway land and its potential utilization for revenue generation, the Ministry replied as below:

"A very well established system is in vogue in the Railways to curb the encroachments which includes maintenance of land records, periodic inspection by Railway officials and prevention and removal of encroachment as per the law. The extent of encroachment as well as progress of its removal is being monitored regularly at Zonal Railways and Railway Board's level. The details of the action taken by Railways to remove encroachments have already been spelt out in reply to para 74. The removal of encroachments by launching demolition drive is a continuous process. Railways take regular measures to protect Railway land from encroachment which includes licensing of land to Railway employees for Grow More Food (GMF) scheme, provision of boundary wall, fencing and tree plantation at vulnerable locations.

Presently, the vacant land available with the Railways is about 0.51 lakh hectare. The vacant land, which is not required by Railways for its immediate operational need, is utilised in the interim period for commercial development through Rail Land Development Authority (RLDA), wherever feasible, in order to mobilise additional financial resources. As on September, 2019, 70 sites measuring 237.15 hectare (approx.) where commercial development seems feasible have been entrusted to RLDA which were identified by Railway/RLDA."

X VACANCY POSITION IN INDIAN RAILWAYS

67. Asked to furnish the updated details of sanctioned strength and actual staff position in all categories of posts in Indian Railways, the Ministry apprised as under:

"Category-wise details of the Railway employees as on 01.09.2019 are as under

GROUP A & B:

As on 25.9.2019

Service	Sanctioned strength	On Roll	Gr.A'	On Roll	Gr.B'	On Roll
IRAS	1430	1009	1043	750	387	259
IRPS	832	694	583	459	249	235
IRSE	3785	3074	2652	2223	1133	851
IRSSE	1731	1284	1180	922	551	362
IRSEE	1956	1496	1424	1154	532	342
IRSS	1032	886	795	671	237	215
IRTS	1602	1201	1196	904	406	297

IRSME	1896	1574	1498	1196	398	378
IRMS	2630	1910	2630	1910	0	0
RPF	479	476	479	476	0	0
Misc.	1140	864	325	220	815	644
Total	**18513**	**14468**	**13805**	**10885**	**4708**	**3583**

GROUP C & D:

Category	**Sanctioned Strength**	**Actual Strength**
Group C & D	15,09,611	12,10,122

68. Regarding steps taken by Indian Railways to fill up the vacant posts and year-wise details of vacancies filled by Railways in last five years**,** the Ministry submitted as under:

"Regarding filling up of gazetted posts in Railways:

YR	IRTS		IRAS		IRPS		RPF		IRSE		IRSME		IRSEE		IRSSE		IRSS		**TOTAL**	
	IN D	NJ	IN D	NJ	IN D	NJ	IN D	NJ	IND	NJ	IND	NJ	IND	NJ	IND	NJ	IND	NJ	**IND**	**NJ**
2012	68	64	30	27	28	21	33	11	74	70	43	41	57	54	48	46	27	23	**408**	**357**
2013	66	60	30	29	28	18	33	21	74	74	42	42	55	55	48	48	27	26	**403**	**373**
2014	73	68	32	28	32	28	34	17	78	78	44	42	58	56	52	50	29	27	**432**	**394**
2015	69	55	31	20	27	15	45	3	54	51	38	36	49	48	34	30	21	20	**368**	**278**
2016	65	57	31	25	23	20	15	11	49	48	57	51	45	38	30	27	24	20	**339**	**297**
2017	63	52	31	29	27	22	15	10	49	48	69	68	44	41	31	31	23	23	**352**	**324**
2018	71	$	34	$	28	$	8	$	61	60	54	$	50	49	38	$	20	$	**364**	**109**
2019	78	#	33	#	42	#	14	#	76	#	45	#	71	#	51	#	30	#	**440**	**#**

IND=INDENT, NJ = NUMBER JOINED, #=FINAL RESULTS NOT YET DECLARED, $= Candidates in process of joining/ Offer letters under process.

69. Regarding filling up of vacant posts on Railways, following comments have been furnished on direct recruitment to non-gazetted posts in Railways:

"Occurrence and filling up of vacancies is a continuous process. The policy of Railways is to fill up the vacancies as per its operational requirement.

79,833 regular vacancies of Group 'C' posts (Level 2 and above) viz. Assistant Loco Pilots, Technicians, Junior Engineers and Para-medical Staff are being filled up. Panels for some of the above categories are being furnished to the Railways. In addition to above, 36871 vacancies for various posts of Non-Technical Popular Category (UG & Gr.) and Isolated Categories have been notified.

In Level-1(erstwhile group 'D'), around 63,000 regular vacancies are being filled up through Centralized Employment Notification, CEN 02/2018, for which offers of appointment have been made to around 50,000 candidates. Further, above 1 lakh more Level-1(erstwhile group 'D') vacancies have been notified vide CEN RRC-01/2019 for which around 1.15 crore applications have been received.

The year wise position of candidates empanelled from open market Direct Recruitment in Railways for the last five years is given below:

Direct Recruitment to Non-Gazetted posts on Indian Railways		
Year	**Candidates empanelled in Level-1 (Erstwhile Gr 'D') posts**	**Candidates Empanelled by RRBs in Level-2 & above (Group 'C') posts**
2014-15	31,995	15,191
2015-16	51,808	27,995
2016-17	6,731	19,587
2017-18	5,362	19,100
2018-19	4,766	1,727
Total	**1,00,662**	**83,600**
Grand Total (2014-2019)	**1,84,262**	

70. When enquired as to whether the employees have to over work due to non filling up of vacancies resulting in extra strain on them and affecting their quality of work, the Ministry replied as under:

"The working hour of Railway servants are regulated as per statutory provisions of the Railway Act, 1989 and the Railway Servants (Hours of Work & Period of Rest) Rules, 2005. In accordance with these provisions, the Railway servants are classified as 'Intensive' 'Continuous' and 'Essentially Intermittent'. Zonal Railway Administrations prepare the duty rosters keeping in view administrative and operational requirements. However, in emergent situations, they are sometimes required to work beyond these rostered hours of work for which they are suitably compensated as per extant rules.

It is also stated that Railway has recruited 1,84,262 employees in various categories during period of 2014-2019. It may be mentioned that recruitment is an ongoing process taking into account retirement, attrition and other needs of the organization. At present Indian

Railways are in process of recruiting persons against notifications issued for approximately 2,94,420 posts."

71. The Committee have been informed that the Railway servants are classified as 'Intensive' 'Continuous' and 'Essentially Intermittent'. Zonal Railway Administrations prepare the duty rosters keeping in view administrative and operational requirements. However, in emergent situations, they are sometimes required to work beyond these rostered hours of work for which they are suitably compensated as per extant rules. In this regard, when asked about the number of staff and occasions when the employees were working beyond rostered hours, the category and the areas of their deployment etc., the Ministry submitted as under:

> "There could be occasions when staff are required to work beyond the rostered hours due to absence, leave etc. For such working beyond rostered hours, staff is paid overtime. Occasions for such working beyond rostered hours may happen at different stations/work spots depending on the staff position in a particular day/period, hence numbers are not maintained specifically. However, an amount of Rs. 876.43 crores and Rs. 1063.52 crores has been paid towards Overtime Allowance during the years 2016-17 and 2017-18 respectively.
>
> Yes, working beyond rostered hours does take place on some occasions due to leave/sick/absenteeism etc. The place of deployment is the same post which cannot be left unmanned so that continuity of operations is maintained."

72. As regards the study conducted in connection with impact of long working beyond rostered hours on the health of staff which may also affect the safety of railways due to long hours of duty, the Ministry apprised as under:

> "A High Power Committee was constituted in year 2011 to examine, review and recommend on the following:
> (a) Daily/weekly duty hours and rest at Headquarters and outstation for the running staff in all categories of trains;
> (b) To review list of safety categories on the Railways and recommend daily/weekly duty hours and weekly off for the staff in safety categories;
> (c) Monetary compensation for work beyond duty hours/breach of rest in exigencies of service for running staff/staff in safety categories;
> (d) Resting facilities and other provisions for out-station rest of running staff; and
> (e) Any other issue ancillary to the above or which may be specifically referred to the Committee by the Railway Board during its tenure."

PART-II

RECOMMENDATIONS

MERGER OF RAILWAY BUDGET WITH GENERAL BUDGET

Prior to 2017-18, the Railway Budget was being presented separately every year preceding the Union budget. After the merger of Railway Budget with the Union Budget in the financial year 2017-18, the Railways have got exemption from payment of dividend to general revenues and its capital-at-charge stands wiped off and they continue to function as a departmentally run commercial undertaking. The merger was aimed to facilitate Multi-model transport planning among Highways, Railways and Inland Waterways apart from allowing the Ministry of Finance greater elbow-room at the time of mid -year review for better allocation of resources etc. In other words, consequent upon unification of these two budgets, there is no dividend liability on the part of Railways from 2017-18, which saves Railways from payment of approximately Rs. 10,000/- crore as annual dividend to the Government exchequer which after adjusting the subsidy in payment of dividend has given a net benefit of about Rs. 5,000/- crore to Railways. At the same time, the Ministry of Railways continue to get Gross Budgetary Support for capital expenditure. The merger has also reduced the procedural requirements involved in presenting a separate Budget. The Committee appreciate that the Railways have got 15% increase in the Capital Outlay in 2019-20 over the RE of previous year and 25% increase in 'Gross Budgetary Support', thus providing adequate funds for execution of the projects which have been

suffering/lagging on account of financial constraints. While taking note of the positive developments subsequent to the merger of Railway Budget with the Union Budget, the Committee impress upon the Indian Railways to make concerted efforts towards large scale upgradation and modernization as well as completion of important/strategic projects so as to ensure expansion of Railway network and enhancement.

NATIONAL RAIL PLAN

2. The Committee are deeply concerned to note that the formulation of the 'National Rail Plan' which was announced in the Railway Budget for the year 2016-17, could commence only in December, 2018 after a delay of one and half years. Though the Ministry have exuded confidence to complete the work in 2019-20 itself, the Committee apprehend its fructification in the remaining time period of four months of the current financial year, more so when there is still a lot to be done in terms of appointment of Key and Support Personnel. However, taking note of the Ministry's assurance, the Committee desire that all the formalities and preliminary work be completed expeditiously so that the National Rail Plan which aims at capacity augmentation of Railway infrastructure is put in place at the earliest.

ANNUAL PLAN 2019-20

3. The Committee note that the Budget Estimate in respect of Budgetary support has invariably been revised downward at the Revised Estimate stage during 2017-18 and 2018-19. To illustrate, the BE of Rs. 44,332 Cr. and

Rs.40,880 Cr. in respect of Budgetary support during the year 2017-18 and 2018-19, the RE was reduced to Rs. 28,725 Cr. and Rs. 40,060 Cr. respectively and the corresponding actuals were only Rs. 32,043 Cr. and Rs.39,388 Cr. The Committee are of the considered opinion that the downward or upward revision of the budget allocation is primarily dependent upon the trend of fund utilization by the respective Ministry/Department concerned. In view of the fact that there has been under-spending in many Heads, the Committee exhort the Ministry to intensify their efforts towards timely completion of projects so as to ensure better utilization of earmarked funds and depiction of a realistic budgetary exercise.

4. The Committee note that Railways are planning to expand the existing network for which an investment of Rs. 50 Lakh Cr. would be required between 2018 and 2030. To execute the projects, they are planning to use PPP Model to facilitate faster development and completion of Projects, as the annual outlays of Railways are just around Rs. 1.50 Lakh Cr. to 1.60 Lakh Cr. The Committee feel that this is a step in the right direction to mop up adequate and requisite revenue and the Railways should, therefore, put in place a robust planning mechanism so that the project expansion and faster development of rail network is achieved.

5. The Committee note that the Internal Resources is declining in terms of passenger, freight and other loading earnings besides non materialization of revenue from land monetization consecutively over the past few years. The

reasons attributed by the Ministry for shortfall in internal revenue generation *inter alia* include drop in originating passengers in non-suburban sector, trend of lesser average freight lead, low growth in other coaching earnings and non-materialization of revenue targets etc. In view of the fact that there is no dearth of passenger traffic since the Railways have always remained the preferred mode of transport as is evident from ever growing passenger traffic and endless waiting list in all classes on almost all the long distance trains, the Committee impress upon the Railway to continue to find ways and means to leverage earnings from passenger traffic. Similarly, concerted efforts ought to be made to make freight loading in Railways more competitive and attractive so as to ensure projected revenue generation from freight traffic. The Committee also recommend that the Railways should iron out the bottlenecks that have resulted in non-materialization of land monetization so that internal revenue generation is enhanced.

RASHTRIYA RAIL SANRAKSHA KOSH (RRSK)

6. The Committee note that RRSK was created in 2017-18 to finance critical safety related works of renewal, replacement and augmentation of assets with a corpus of Rupees One lakh crore over a period of five years. The Committee further note that the funding to RRSK from the Internal Resources during the years 2017-18 and 2018-19 has been made to the tune of Rs.1090.75 Cr. and Rs.3015.33 Cr. respectively, which is correspondingly short by 88.18% and 39.69 % vis-à-vis the projected funding of Rs. 5000 Cr each year.

The Ministry have reasoned that advere resource position during the previous years did not permit desired level of funds being transferred to RRSK from internal resources. As a corrective measure, the Zonal Railways have been asked to prioritize their works and incur expenditure as per priority and availability of resources so that sufficient funds to important safety works are ensured. In view of the fact that a target of Rs. One lakh crore has set with contributions from GBS and Internal Resources by 2022-23, it becomes imperative on the part of Railways to generate internal revenue to an appreciable extent so that important and critical safety related works under RRSK are carried out as per projections.

APPROPRIATION TO FUNDS

7. The Committee note that an appropriation of Rs.6990 Cr. was estimated at the 2018-19 BE level to Capital Fund which was later reduced at the RE stage to just Rs. 14 Cr. and finally no appropriation to Capital Fund could be made. During 2017-18 also, no fund could be spared for Capital Fund due to decline in Net Revenue. The Committee thus, observe that for the last two consecutive years, the entire lease charges are being paid from the Budgetary Support. The Committee therefore, recommend that the railways should strive hard to augment the resource generation for ensuring sizeable net revenue so that the appropriation to Capital Fund is resumed from 2019-20 onwards.

GROSS TRAFFIC RECEIPTS

8. The Committee note that from the year 2015-16 to 2018-19 i.e. consecutively for four years, the reasons for downward revision of Gross Traffic Receipts (GTR) are the same *viz.* (i) Drop in originating passengers – in non-suburban segment in RE vis-à-vis BE and drop in average passenger lead in actuals vis-à-vis RE (ii) Trend of lesser average freight lead in RE vis-à-vis BE and less loading in Atuals vis-à-vis RE (iii) Low growth in other coaching earnings (iv) Non-materialisation of revenue target from land monetization. It implies that the corrective measures taken by the Railways have not had the desired impact. It is a matter of concern that on the one hand Railways are facing stiff competition from the low cost airlines and road transport and on the other hand, they resort to ill-conceived ideas like flexi fare scheme. However, with the discontinuation of the flexi fare scheme w.e.f. 15.03.2019, the Committee trust that much damage control has been done. The Committee desire that a thorough and comprehensive review of the passenger tariff system including Railway's Social Service obligations be undertaken so as to put in place more prudent and robust measures to arrest the consistent decline in Gross Traffic Receipts.

RAILWAY REVENUE

9. The Committee note that the net revenue of Railway declined below 50% during 2016-17 and 2018-19 reportedly due to less earning and residual effects of 7th Pay Commission. The Committee are not convinced with the

reasonings as during the years 2012-13, 2013-14 and 2015-16 when there was no after effects of Pay Commission, the net earnings were no better and were revised 20% to 30% downwards which also could not be achieved. The Committee, therefore, recommend that the procedure of estimation as well as the resource planning should be overhauled so that the targets set by the Railways could be achieved and the earnings are improved to cater to the requirements of Railways.

<u>OPERATING RATIO</u>

10. The Committee are deeply concerned to find that the operating ratio of Indian Railways reached an all time high of 98.4 in 2017-18, though it marginally came down to 97.29 in 2018-19. The operating ratio is estimated at 95 during 2019-20. Sharp rise in staff cost due to implementation of the 7th CPC coupled with drop in goods and passenger earning, increase in ongoing working expenses and pensions etc., have been added as the primary factors for increase in operating ratio. The Ministry themselves have admitted that the operating ratio in a year should be considered reasonable if it ensures adequate Net Revenue to cater to Railways' CAPEX needs from internal resources after meeting its revenue expenditure that is precisely why the Committee are emphasizing the absolute need for augmenting the internal resource generation by the Indian Railways. Needless to reiterate, the Ministry ought to make all out efforts to rationalize expenditure and constantly endeavour towards capacity improvement and upgradation which

would result in substantial internal revenue generation, thus containing the Operating Ratio to a reasonable extent.

NEW LINES, GAUGE CONVERSION AND DOUBLING

11. The Committee appreciate that the average per day commissioning of new lines, gauge conversion and doubling projects have increased to 9.85 km in 2018-19 from 4.1 km during 2004. The Committee further note that achievement in commissioning of new lines has been 3035 km against the projected target of 1727 km during 2014 to 2019. The Committee take note of the commendable work done by the Railways in the recent years and desire that the momentum may be maintained unabated so that similar appreciable performance is exhibited in the coming years too.

However, in some places, slow pace of commissioning of new Railway Lines have been attributed to delay in land acquisition and forest clearance, shifting of infringing utilities (both underground and over ground), statutory clearances from various authorities, encountering unforeseen conditions like earthquake, flooding, excessive rains, strikes of labour, court orders etc. As commissioning of new lines is vital to the expansion and modernization of Railway network, the Committee impress upon the Ministry to consistently take up the matters of timely land acquisition and forest clearance with the State Governments concerned so that there is seamless progress of commissioning of new lines.

ROLLING STOCK

12. The Committee note that though the achievement of Railways in procurement of Coaches and Locomotives is upto the mark, in the case of Wagons, there have been shortfalls in achieving the targets. The Committee learn that there is only one Railway owned PSU (M/s Braithwaite) through which only a part of the requirement of wagons is fulfilled whereas wagons are mostly procured from Private Wagon Builders through the process of open tender. The Committee are also aware that the wagon requirements and utilisation depend upon various factors like commodity flows, speed of freight train, available locomotives, maintenance requirement etc. Since the work of Dedicated Freight Corridor is in full swing and once it becomes operational, there would be high demand of wagons for carrying additional freight traffic, the Committee recommend that the overall requirement of wagons including for DFC be assessed prudently so as to take corrective measures in advance for requisite procurement of wagons and their optimal utilization.

VACANCY POSITION

13. The Committee note that the overall vacancies in Railways as on 1st Sept., 2019 are 4045 (Indian Railway Services); *viz.* 2920 in Group A; and 1123 in Group B; besides 2,99,489 vacancies in Group C & D. The Committee further note that the Railways have already initiated the process of filling up of these vacancies which is at different stages of completion. In view of the fact that the Railways would require adequate staff commensurate to network expansion, the Committee urge the Ministry to expedite the recruitment

process, especially in Group 'C' and 'D' posts which are critical posts in terms of safety and manning of rail network. Since the recruitment process is a continuous and time consuming process, the Committee, also desire that Zone-wise O&M Study may simultaneously be conducted for assessment of further requirement of manpower in Indian Railways.

14. The Committee note that the working hours of Railway servants are regulated as per statutory provisions of the Railway Act, 1989 and the Railway Servants (Hours of Work & Period of Rest) Rules, 2005. According to these provisions, the Railway servants are classified as 'Intensive', 'Continuous' and 'Essentially Intermittent'. Zonal Railway Administrations prepare the duty rosters keeping in view administrative and operational requirements. The Committee have been informed that in emergent situations, the Railway servants are required to work beyond the rostered hours of work for which they are suitably compensated. The Committee would, however, like to caution that utmost care be taken and due diligence exercised while deploying people beyond the rostered work hours in safety related departments so as to avoid any mishaps and untoward incidents.

15. The Committee note that a High Power Committee was constituted in the year 2011 to examine, review and recommend daily/weekly duty hours and rest at Headquarters and outstation for the running staff in all categories of trains; to review list of safety categories on the Railways and recommend daily/weekly duty hours and weekly off for the staff in safety categories; monetary compensation for work beyond duty hours/breach of rest in

exigencies of service for running staff/staff in safety categories etc. As per the terms of reference, the above said committee was constituted for a period of one year and submitted its report in August, 2013 containing 89 recommendations in all out of which 59 recommendations have been found to be implementable. The Committee find that after passage of more than 06 years, the implementable recommendations are in various stages of implementation. Since the recommendations of the Expert Committee have a direct bearing on workers' health as well as on safety of Railways, the Committee exhort the Ministry to expedite their implementation in the interest of the large workforce as also to safeguard the safety of Indian Railways.

16. The Committee note that the expenditure on account of Training/HRD in Indian Railways is hovering around 50-60% of the allocated funds during the recent years. The Committee are aware that the Railways are going through a transition period to match with the latest technological upgradations at par with the International Standards. In the given scenario, it becomes absolutely imperative on the part of the Railways to train the existing staff with the latest technological knowhow. Moreover, the diverse kind of work handled by the Railways require periodical training of their staff. The Committee, therefore, urge that maximum number of employees be imparted training so that allocated funds for training/HRD are utilised fully in the interest of safety and earnings of the Railways.

LAND MANAGEMENT IN INDIAN RAILWAYS

17. The Committee note that as on date, the Railways owns about 4.78 lakh hectares of land. About 90% of land is under Railways' operational and allied usages such as laying of new lines, doubling, gauge conversions, track, stations, workshops, staff colonies etc. Out of the total Railway land, 821.46 hectare (0.17%) is under encroachment. The Committee further note that for prevention/removal of encroachments, Railways carry out regular surveys and take action for their removal. The Committee opine that since vacant land

is always prone to repeated encroachment the Indian Railways need to make uninterrupted efforts to prevent and remove encroachment of vacant land so as to utilize such land for additional revenue generation.

18. The Committee note that until the year 2012, when the Expert Group for Modernisation of Indian Railways submitted its report, there was no centralised system for maintaining the land records/holding of Railways. The Committee appreciate that on the recommendation of the Expert Group, Railways have developed 'Land Management Module', which will go a long way in keeping a centralized record of Railway land for gainful utilization. The Committee desire the Ministry to ensure that Rail Land Development Authority (RLDA) which was constituted in the year 2006 for development of vacant railway land, continue to generate substantial non-tariff revenue for the Indian Railways by commercially developing such vacant land.

New Delhi;	**RADHA MOHAN SINGH**
11 December, 2019	**Chairperson**
20 Agrahayana , 1941(Saka)	**Standing Committee on Railways**

APPENDIX I

MINUTES OF THE SECOND SITTING OF THE STANDING COMMITTEE ON RAILWAYS (2019-20)

The Committee met on Wednesday, the 23rd October, 2019 from 1100 hrs. to 1315 hrs. in Committee Room No. '3', Parliament House Annexe Extension Building, New Delhi.

PRESENT

Shri Radha Mohan Singh - Chairperson

MEMBERS

LOK SABHA

2. Shri T.R. Baalu
3. Smt. Ranjanben Bhatt
4. Shri Abu Hasem Khan Chowdhury
5. Smt. Sangeeta Kumari Singh Deo
6. Shri Hemant Tukaram Godse
7. Shri Suresh Kodikunnil
8. Shri Kaushalendra Kumar
9. Smt. Diya Kumari
10. Smt. Jaskaur Meena
11. Shri Sunil Kumar Mondal
12. Smt. Queen Oja
13. Smt. Keshari Devi Patel
14. Shri Mukesh Rajput
15. Shri N. Reddeppa
16. Shri Gopal Jee Thakur

RAJYA SABHA

17. Shri N. Gokulakrishnan
18. Prof. Manoj Kumar Jha
19. Shri Mohd. Ali Khan
20. Ms. Saroj Pandey
21. Shri Garikapati Mohan Rao
22. Shri Ashok Siddharth
23. Shri Motilal Vora

SECRETARIAT

1.	Dr. Kavita Prasad	-	Joint Secretary
2.	Shri Arun K. Kaushik	-	Director
3.	Shri Ram Lal Yadav	-	Addl. Director
4.	Smt. Archana Srivastva	-	Deputy Secretary

REPRESENTATIVES OF THE MINISTRY OF RAILWAYS (RAILWAY BOARD)

1.	Shri Vinod Kumar Yadav	Chairman, Railway Board & Ex-officio Principal Secretary to the Government of India
2.	Shri Vijay Kumar	Financial Commissioner (Railways) & Ex-officio Secretary to the Government of India
3.	Shri Vishwesh Chaube	Member Engineering, Railway Board & Ex-officio Secretary to the Government of India
4.	Shri P.S. Mishra	Member Traffic, Railway Board & Ex-officio Secretary to the Government of India
5.	Shri Rajesh Agrawal	Member Rolling Stock, Railway Board & Ex-officio Secretary to the Government of India
6.	Shri Rajesh Tiwari	Member Traction, Railway Board & Ex-officio Secretary to the Government of India
7.	Shri Manoj Pande	Member Staff, Railway Board & Ex-officio Secretary to the Government of India

2. At the outset, the Chairperson welcomed the representatives of the Ministry of Railways (Railway Board) to the sitting and invited their attention to the provisions contained in Direction 55 of the Directions by the Speaker, Lok Sabha regarding the confidentiality of the proceedings.

3. Thereafter, the Committee took evidence of the representatives of the Ministry of Railways (Railway Board) for examination of the 'Demands for Grants (2019-20) of the Ministry of Railways'.

4. The Chairman, Railway Board briefed the Committee about some of the focussed areas of Budget 2019-20 *viz.* safety on Indian Railways, renewal of tracks, enhancement of funds for passenger amenities, electrification, development of stations and commercial use of surplus Railway land, elimination of level crossings,

vacancies in Railways etc. The issues of upgradation of tracks for the high speed rail network, provision of wifi facilities at all stations across the network, real time monitoring of trains using satellite imagery, use of solar energy at railway stations were elaborated upon.

5. The Committee, then, sought certain clarifications on the issues relating to the subject. The Chairman, Railway Board replied to some of the queries and assured to send the written replies to the queries in respect of which the information was not really available with him. The evidence was concluded.

6. A verbatim record of the proceedings of the Committee has been kept.

The Committee then adjourned.

APPENDIX II

MINUTES OF THE FIFTH SITTING OF THE STANDING COMMITTEE ON RAILWAYS (2019-20)

The Committee met on Wednesday, the 11th December, 2019 from 1500 hrs. to 1540 hrs. in Room No. '145A' Chairperson's Chamber, Parliament House, New Delhi.

PRESENT

Shri Radha Mohan Singh - Chairperson

MEMBERS

LOK SABHA

2. Shri T.R. Baalu
3. Shri Pankaj Choudhary
4. Shri Abu Hasem Khan Chowdhury
5. Smt. Sangeeta Kumari Singh Deo
6. Shri Suresh Kodikunnil
7. Shri Anubhav Mohanty
8. Shri Sunil Kumar Mondal
9. Shri Mukesh Rajput
10. Shri N. Reddeppa
11. Shri Sumedhanand Saraswati
12. Shri Gopal Jee Thakur

RAJYA SABHA

13. Shri N. Gokulakrishnan
14. Shri Mohd. Ali Khan
15. Shri Joginipally Santosh Kumar

SECRETARIAT

1.	Dr. Kavita Prasad	-	Joint Secretary
2.	Shri Arun K. Kaushik	-	Director
3.	Shri D.R. Mohanty	-	Addl. Director
4.	Shri Ram Lal Yadav	-	Addl. Director
5.	Smt. Archana Srivastva	-	Deputy Secretary

2. At the outset, the Chairperson welcomed the Members to the sitting of the Committee. Thereafter, the Committee took up for consideration the draft Report on Demands for Grants (2019-20) of the Ministry of Railways.

The Committee adopted the above-mentioned Report without any modification.

3. The Committee authorized the Chairperson to finalise and present the Report to the Parliament. The Committee also decided to undertake a Study Visit on the subjects under examination of the Committee during January, 2020 and authorized the Chairperson to finalize the Study Visit programme.

The Committee then adjourned.