

02

**STANDING COMMITTEE ON
RAILWAYS
(2024-25)
EIGHTEENTH LOK SABHA**

**MINISTRY OF RAILWAYS
(RAILWAY BOARD)**

[Action taken by Government on the Observations/Recommendations contained in the 1st Report of the Standing Committee on Railways (Eighteenth Lok Sabha) on 'Demands for Grants (2024-25) of the Ministry of Railways']

SECOND REPORT



**LOK SABHA SECRETARIAT
NEW DELHI**

MARCH, 2025/ PHALGUNA, 1946 (SAKA)

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Standing Committee on Railways (Eighteenth Lok Sabha) on 'Demands for Grants (2024-25) of the
Ministry of Railways']**

Presented to Lok Sabha on 10.03.2025

Laid in Rajya Sabha on 10.03.2025



**LOK SABHA SECRETARIAT
NEW DELHI**

MARCH, 2025/PHALGUNA, 1946 (SAKA)

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COMPOSITION OF STANDING COMMITTEE ON RAILWAYS (2024-25)[@]

Dr. C.M.Ramesh - **Chairperson**

MEMBERS

LOK SABHA

2. Shri Damodar Agrawal
3. Shri Tariq Anwar
4. Shri T. R. Baalu
5. Shri Ummeda Ram Beniwal
6. Shri Chhotelal
7. Smt. Sangeeta Kumari Singh Deo
8. Dr. Amol Ramsing Kolhe
9. Shri Kaushalendra Kumar
10. Shri Balabhadra Majhi
11. Shri Khagen Murmu
12. Adv. Adoor Prakash
13. Shri Awadhesh Prasad
14. Shri Sudama Prasad
15. Shri M K Raghavan
16. Smt. Satabdi Roy
17. Dr. Swami Sachidanand Hari Sakshi
18. Dr. Bhola Singh
19. Shri Bharatbhai Manubhai Sutariya
20. Shri Gopal Jee Thakur
21. Shri Vijayakumar Alias Vijay Vasanth

Rajya Sabha

22. Dr. Sarfraz Ahmad
23. Shri Narhari Amin
24. Shri Subhasish Khuntia
25. Shri Upendra Kushwaha
26. Dr. K. Laxman
27. Shri Sandeep Kumar Pathak
28. Smt. Sadhna Singh
29. Dr. Sumer Singh Solanki
30. Shri K. Vanlalvena
31. Shri Mukul Balkrishna Wasnik

.....
[@] Constituted w.e.f. 26.09.2024 *vide* Lok Sabha Bulletin Part II No. 841 dated 26.09.2024.

LOK SABHA SECRETARIAT

- | | | | |
|----|--------------------------|---|------------------|
| 1. | Md. Aftab Alam | - | Director |
| 2. | Smt. Savdha Kalia | - | Deputy Secretary |
| 3. | Shri Rudresh Singh Yadav | - | Under Secretary |

INTRODUCTION

I, the Chairperson, Standing Committee on Railways (2024-25), having been authorized by the Committee, present this Second Report on Action Taken by Government on the Observations/Recommendations of the Committee contained in their First Report (Eighteenth Lok Sabha) on "Demands for Grants (2024-25) of the Ministry of Railways".

2. The First Report was presented to the Lok Sabha and laid in the Rajya Sabha on 13.12.2024. The Report contained 14 Observations/Recommendations. The Ministry of Railways furnished Action Taken Notes on all the Observations/Recommendations contained in the Report on 11.02.2025.

3. The Committee considered and adopted the Draft Action Taken Report at their sitting held on 07.03.2025. The minutes of the sitting are given in **Annexure**.

4. For facility of reference and convenience, the Observations and Recommendations of the Committee have been printed in bold letters.

5. An analysis of the Action Taken by Government on the Observations/Recommendations contained in the First Report of the Standing Committee on Railways (Eighteenth Lok Sabha) is given in **Appendix**.

New Delhi;
07 March, 2025
16 Phalgun , 1946 (Saka)

DR. C.M. RAMESH
Chairperson
Standing Committee on Railways

CHAPTER I

REPORT

This Report deals with the action taken by the Government on the Observations /Recommendations of the Committee contained in their First Report (18thLok Sabha) on 'Demands for Grants (2024-25) of the Ministry of Railways'.

2. The First Report was presented to the Lok Sabha and laid in Rajya Sabha on 13.12.2024. It contained 14 Observations/ Recommendations. Replies of the Government in respect of all recommendations have been received and are categorized as under:-

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

Para Nos. 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11,12, 13, 14

Total: 14

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

NIL

Total: 00

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

NIL

Total: 00

- (iv) Observations / recommendations in respect of which final replies are still awaited:-

NIL

Total: 00

3. **The Committee trust that utmost importance will be given to the implementation of the Observations / Recommendations accepted by the Government. The Committee desire that Action Taken Notes in respect of Observations/Recommendations contained in Chapter-I of this Report should be furnished to them at the earliest but not later than three months of the presentation of this Report.**

4. The Committee will now deal with some of their earlier Observations / Recommendations which either require reiteration or merit further comments.

Recommendation (Para No. 2)

5. The Committee had recommended as under:

"The Committee note that the net revenue of Indian Railways have been negligible for the year 2022–23 and 2023–24. Further, the budget estimate of Net Revenue for the year 2024–25 has been kept at Rs. 2800 crores. The Committee observe that the main reason behind this situation is low revenues from the passenger segment. The budget estimates for passenger revenues for the year 2024–25 have been kept at Rs. 80,000 crores against freight revenue estimate of Rs. 1,80,000 crores. The Committee feel that to increase net revenues of Indian Railways, it is of prime importance to increase its earnings from the passenger segment. The Committee are aware that Indian Railways are the main means of transport for crores of poor people in the country and they have to incur losses on pricing fares below cost in wake of Social Service Obligations. However, the Committee feel that Indian Railways need to make a comprehensive review of its passenger fares in different trains and classes. Committee feel that 'General class' travel must remain affordable for the masses but at the same time the Committee urge Indian Railways to review its revenues with regard to AC classes by aligning it with costs incurred to reduce losses in passenger segment. The Committee also urge Indian Railways to conduct a comprehensive review of its operating expenses for passenger trains and to rationalise these costs to ensure affordability of its ticket prices."

6. In their action-taken reply, the Ministry of Railways have stated as under:

"Increasing the Net Revenue is always a priority for Railways. It involves maximizing traffic receipts along with expenditure control measures. To maximize traffic receipts, steps taken by Railways are given below:-

To enhance passenger revenue with a view to ensuring optimum utilisation of available accommodation various initiatives like running of special trains, introduction of Vande Bharat and Amrit Bharat trains, augmentation of on-board capacity, introduction and rationalisation of Flexi-fare scheme in premium trains, periodical review of reservation quota wherever required, extension of Alternate Train Accommodation Scheme known as VIKALP have also been undertaken. Railways have also taken various measures to increase freight and Non fare revenue such as introduction of Gati Shakti Cargo Terminal Policy featuring liberalized provisions, Wagon Investment Schemes, the launch of the Goods Shed Rating Dashboard, introduction of e-Auction Policy for Commercial Earning & Non Fare Revenue contracts, special focus on e-Commerce and FMCG, Inclusion of certain popular ecommerce commodities (e.g. cosmetics, lithium ion batteries, battery powered vehicles etc.) in the Red Tariff, revised guidelines issued for Liberalised Automatic Freight Rebate scheme for traffic loaded in empty flow direction etc.

To control expenditure, measures are being regularly undertaken in Railways in order to ensure savings in the operating expenditure. Expenditure management on Railways aims at better manpower management, electrification of railway track, introducing Head on generation rakes, rationalizing repair and maintenance of rolling stock, efficient utilization of assets etc. Apart from this, rigorous monitoring of expenditure on monthly basis is done to control expenditure.

As a result of these steps, Net Revenue, which was negative during 2021-22 improved to ₹3,260 crore in 2023-24.

Regarding Hon'ble Committee's suggestion of comprehensive review of its passenger fares the following is submitted:

Indian Railways continuously strive to improve passenger traffic and passenger earnings over its network.

W.e.f. 01.01.2020, passenger fares were rationalized, the details of the same are as under:

- No increase in passenger fare of Suburban upto 80 km.
- No increase in season tickets (both suburban & Non-Suburban).
- 01 paisa per kilometre increased in ordinary non-AC classes in Non-Suburban.

- 02 paisa per kilometre increased in Mail/Express Non AC classes in Non Suburban.
- 04 paisa per kilometre increased in AC classes in Non-suburban.

Further to the above, the passenger fares over the suburban section were rationalized w.e.f. 05.05.2022 wherein;

- Single journey basic fare of AC EMU was rationalized by reducing it by around 50%.
- Single journey basic fare of First class has been reduced by around 41% to 49%.

Analysing the figures of FY2023-24, for appreciation of Standing Committee, Indian Railway is not able to recover the cost of service in Suburban (~70% cost is subsidised), Non-AC travel (~61% cost is subsidised). In case of AC travel Indian Railway is able to gain only marginally (~3.5% surplus over cost)."

7. **The Committee observe that the Ministry of Railways have taken several initiatives to maximize traffic receipts, including the introduction of premium trains like Vande Bharat and Amrit Bharat, rationalization of flexi-fare schemes, and expansion of freight and non-fare revenue through policies such as the Gati Shakti Cargo Terminal and e-Auction for commercial contracts. Besides, expenditure control measures like electrification of railway tracks, efficient manpower management, and rigorous monthly monitoring have contributed to improving net revenue from negative in 2021-22 to Rs. 3260 crores in 2023-24. However, despite fare rationalization efforts in 2020 and 2022, which included marginal increases in non-AC and AC class fares and significant reductions in AC EMU and First Class suburban fares, Indian Railways continues to heavily subsidize passenger services. Suburban services recover only ~30% of costs, non-AC travel recovers ~39%, and AC travel generates only a marginal surplus (~3.5%). The Committee, therefore, recommend that Indian Railways should adopt a comprehensive, multi-pronged strategy to enhance net revenue while ensuring affordability for low-income passengers. This includes implementing dynamic pricing models for AC classes and premium trains, regularly reviewing flexi-fare schemes based on demand, and expanding non-fare revenue through initiatives like e-Auction policies, advertising, and commercial utilization of railway assets. The Committee also feel that in order to balance social obligations, Indian Railways should continue targeted subsidies for suburban and non-AC travel. However,**

operational efficiency must be improved through accelerated electrification and energy-efficient technologies. Further, a comprehensive fare review should be undertaken from time to time to align AC class fares with costs and ensure gradual, affordable adjustments for non-AC classes.

Recommendation (Para No. 3)

8. The Committee had recommended as under:

"The Committee observe that the annual plan for the year 2024–25 has been kept at Rs. 2,65,200 crores, which is the highest ever. The increased Capex in recent years has been mainly due to increase in Gross Budgetary Support from the Government. Gross budgetary Support which was Rs. 1,17,508 crores in 2021-22 has increased to 2,52,200 crores in BE 2024-25. The contribution of Extra Budgetary Resources (EBR) in Capex has been reduced in recent years and for the year 2024–25, EBR(BE) has been kept at Rs. 10,000 crores. The Committee are aware that market borrowing for capital expenditure increases financial liabilities as it entails debt servicing from its revenues. Due to this reason Indian Railways have rationalised EBR(IF) and EBR(Bonds). However the Committee are of the opinion that the modernisation of Indian Railway infrastructure demands huge capital investment. The Committee feel that there is ample scope of improvement in Indian Railways' infrastructure and there is need to significantly increase its planned expenditure. The Committee recommend the Ministry to find ways to increase Private Sector participation in creation of Railway infrastructure."

9. In their action-taken reply, the Ministry of Railways have stated as under:

"Hon'ble Committee has observed that IR's infrastructure demands huge Capital investment and there is need to increase planned expenditure. In this regard, it is submitted that IR's annual Capital Budget has been growing over the years. From ₹ 58,718.92 crore in 2014-15 (out of which GBS was ₹ 32328 crores), the Capex for 2024-25 in Budget Estimate has been fixed at Rs.265200 cr (with GBS of ₹ 252200 crore) in Budget Estimates, which is a phenomenal growth. With the increased investment under Capital segment of the Budget, the focus of the Government has been put on infrastructure development, network expansion, creation of terminal facilities, safety and removal of traffic bottleneck. With this infusion of massive investment, the Railways have been able to fast track project execution. Network capacity augmentation projects are getting completed and easing traffic movement."

Various steps being taken by Railways for effective and speedy implementation of rail projects include:

- I. Prioritisation of projects.
- II. Substantial increase in allocation of funds on priority projects.
- III. Delegation of powers at field level.
- IV. Close monitoring of projects at various levels and,
- V. Regular follow-up with State Governments and concerned authorities for expeditious land acquisition, forest and wildlife clearances and for resolving other issues pertaining to projects.

Committee has also suggested to increase private Sector Participation in Railway Infrastructure. In this regard, it is submitted that there are various sources of financing in Indian Railways viz Gross Budgetary Support (Capital, Safety Fund and RRSK), Internal Resource Generation (Depreciation Reserve Fund, Development Fund, Capital Fund) and Extra Budgetary Resources (EBR-Partnership etc). PPP is an Extra Budgetary Resource.

Ministry of Railways (MoR) 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, Build Operate Transfer (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. So far, 17 projects of Rs. 16,434 crore have been completed through PPP model. 8 projects of Rs. 16,614 crore are under implementation including coal connectivity and port connectivity projects. Five Public Private Partnership (PPP) models of Participative Policy of MoR, namely Non- Government Railway (NGR), Joint Venture (JV), Customer Funded model, Built-Operate Transfer (BOT) and BOT Annuity models have been formulated to attract private investment in Rail connectivity Projects. MoR has also set up two locomotive factories (one electric and one diesel) in Joint Venture with private players.

The year-wise Targets vis-à-vis Achievements under PPP has been as under: -

Figures in Crores

SN	EBR (PPP)	FY- 2022-23	FY- 2023-24	FY- 2024-25
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A.	Targets	14700.00	17000.00	10000.00
B.	Achievements	11086.03	16625.36	8732.24 (upto Dec. 2024)

The allocations for EBR (PPP) on annual basis are decided in consultation with stakeholders based on the estimates provided by Other Ministries/States/PSUs and Private players which varies on the basis of business activity in the given time period. Railway's Participative Policy is open to interested parties to incentivize their investments."

10. **The Committee appreciate the fact that Capex of Indian Railways has risen from ₹ 58,718.92 crore in 2014-15 (out of which GBS was ₹ 32328 crores), to Rs.265200 cr (with GBS of ₹ 252200 crore) in Budget Estimates for 2024-25 thereby supporting the expansion and modernization of Indian railways. The Ministry have stated that they have 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, Build Operate Transfer (BOT) and BOT-annuity models. So far, 17 projects of Rs. 16,434 crore have been completed through PPP model. The Committee feel that Railways need to be more ambitious with regard to private sector participation in Railway Infrastructure and set higher PPP targets to reduce their dependence on Government for budgetary support.**

Recommendation (Para No. 10)

11. The Committee had recommended as under:

"The Committee note that there are 8800 Railway Stations across Indian Railways' network. For provision of amenities, Railway Stations are categorised based on earnings and outward passengers handled. Over the years Indian Railways have undertaken modernisation/upgradation of stations under different schemes, such as 'the Model Station Scheme', 'Modern Station Scheme', 'Adarsh Station Scheme'. At present, stations are being upgraded under the 'Amrit Bharat Station Scheme', launched in the year 2022. Committee note that Amrit Bharat Scheme envisages development of railway stations on a continuous basis with long-term approach. The scheme includes provision for better amenities like lifts, escalators, free

Wi-Fi, improved waiting halls, toilets, and better passenger information systems etc. The Committee appreciate that the scheme provides for special facilities for Divyangjan. Further, the Committee are aware that 1337 stations have been identified for upgradation/modernisation under this scheme across Indian Railways. The Committee urge the ministry to increase pace of work at these stations and also take up other stations especially in backward areas for betterment of basic amenities like toilets, provision of drinking water, waiting rooms etc. The Committee also urge the ministry to look for private sector participation for Station redevelopment to reduce dependence on budgetary support and internal resources for Station Redevelopment works."

Reply of the Government

12. In their action-taken reply, the Ministry of Railways have stated as under:

"Ministry of Railways has accelerated the redevelopment of major stations across the country and has initiated 'Amrit Bharat Station Scheme'. So far, 1337 stations have been identified for development across the country including backward areas under this scheme. Presently, work is in progress at 1198 Railway Stations under this scheme to provide modern amenities. Other Railway Stations are at different stages of tendering and planning. Ministry of Railways is exploring all the options of PPP mode for station development. Presently, a proposal for redevelopment of Vijayawada Railway station has been submitted to PPPAC for appraisal."

13. **The Committee observe that Indian Railways operate over 8800 stations, with 1337 identified for modernization under the Amrit Bharat Station Scheme, of which work is in progress at 1198 stations and the remainder are in various stages of tendering and planning. The scheme focuses on providing modern amenities such as lifts, escalators, free Wi-Fi, improved waiting halls, toilets, and better passenger information systems, with special attention to facilities for Divyangjan, promoting inclusivity. The Committee in their 1st Report (18th Lok Sabha) had emphasized the need to prioritize stations in backward areas for basic amenities like toilets, drinking water, and waiting rooms to ensure equitable development. They urged the Ministry of Railways to explore Public-Private Partnership (PPP) models to reduce reliance on budgetary support. The Committee also took note of a proposal for the redevelopment of Vijayawada Railway Station to the PPP Appraisal Committee (PPPAC) as a positive step. While appreciating the progress so far made by the Ministry of Railways, the Committee urge that the Ministry of Railways expedite the**

modernization of 1,337 stations identified under the Amrit Bharat Station Scheme, ensuring completion within a set time frame through regular monitoring. The Committee also feel that the scope of the Amrit Bharat Stations Scheme needs to be expanded to include more stations, particularly in backward and rural areas. The Committee urge that the Ministry of Railways should actively explore and incentivize Public-Private Partnership (PPP) models for station redevelopment in order to reduce reliance on budgetary support. The Committee would like to be kept informed about the progress made in the redevelopment of Vijayawada Railway Station.

Recommendation (Para No. 11)

14. The Committee had recommended as under:

"The Committee are aware that most of the earnings of Indian Railways comes from its freight loading activities. In 2023-24, Indian Railways earned revenue of Rs. 1,68,293 Cr from freight traffic and target to achieve Rs. 1,80,000 Cr during 2024-25. The Committee note that the percentage share of Indian Railways in freight traffic in the country is 26%. Freight carried by Indian Railways is touching new milestones every year. However, the average speed of freight trains during the year 2013-24 was only 25.14 km/h. The Committee further feel that creation of Dedicated Freight Corridors is of prime importance to increase the speed of freight trains, thereby increasing freight loading as well as earnings of Indian Railways. The Committee are aware that Indian Railways have taken up the construction of two dedicated freight corridors viz. the Eastern Dedicated Freight Corridor, from Ludhiana to Sonnagar (1337 km), and the Western Dedicated Freight Corridor from JNPT (Mumbai) to Dadri (1506 km). The work on EDFC has been completed and 102 Km section remaining on WDFC from Vaitarna to JNPT is expected to be completed by December, 2025. The Committee urge the Ministry to expedite work on new DFCs across the country to increase Railways' revenues by increasing share of freight loading via train."

Reply of the Government

15. Ministry of Railways has taken up construction of two Dedicated Freight Corridors (DFCs) viz. Eastern Dedicated Freight Corridor (EDFC) from Ludhiana to Sonnagar (1337 Km) and the Western Dedicated Freight Corridor (WDFC) from Jawaharlal Nehru Port Terminal (JNPT) to Dadri (1506 Km). Out of total 2843 Km, 2741 Route Kilometers (96.4%) has been

commissioned and operational, which carried 83,343 freight trains during F.Y. 2024-25 (April to November).

Further, Ministry of Railways have got prepared the Survey/Detailed Project Report (DPR) on the following potential routes of DFCs and the same are under consideration:-

(i) East - Coast Corridor - From Kharagpur to Vijayawada

(ii) East-West corridor:

(a) From Palghar –Bhusawal-Nagpur- Kharagpur- Dankuni

(b) From Rajkharsawan- Kalipahari - Andal

(iii) North-South Sub-corridor – From Vijayawada –Nagpur- Itarsi

None of the above DFCs corridor has been sanctioned yet. The decision regarding sanctioning of any Dedicated Freight Corridor depends on many factors including traffic volume, techno-economic feasibility and financial viability.

16. The Ministry have stated that DPR for potential dedicated freight corridors viz East - Coast Corridor, East-West corridor & North-South Sub-corridor have been prepared. The Ministry have further stated that none of these DFC corridors have been sanctioned yet and decision regarding sanctioning of any Dedicated Freight Corridor depends on many factors including traffic volume, techno-economic feasibility and financial viability. The Committee during its meetings with the representatives of Ministry have observed that operational portions of existing Dedicated freight corridors have substantially reduced congestion on the traditional rail network and has increased efficiency in freight transport through rail. The Committee are of the opinion that Ministry should fast track its studies regarding traffic volume, techno-economic feasibility and financial viability to ensure that work is initiated on new DFCs without further delay. The committee also urge that the work on the remaining portion of the WDFC be completed within the time frame decided without further extension of date.

CHAPTER-II
OBSERVATIONS/RECOMMENDATIONS WHICH HAVE BEEN ACCEPTED BY THE
GOVERNMENT

Recommendation (Para No. 1)

Indian Railways which is the fourth-largest rail network in the world is lifeline of Indian economy. It also plays a vital role in national integration by bringing different geographies and cultures together across the country. Indian Railways have come far ahead from its modest beginnings during the colonial era. Over the years, Indian Railways have reached remotest parts of the country, bringing social and economic development in these parts. Indian Railways have created milestones in carrying passenger and freight traffic and are continuously modernizing their network and assimilating the latest technologies to give a comfortable and safe journey to crores of passengers every day. Budget 2024–25 aims to remove traffic bottlenecks, enhance safety and improve customer amenities. The demand for grants for the year 2024–25 of the Ministry of Railways were tabled in the House on 24.07.2024. The Committee undertook a detailed scrutiny of Demands for grants (2024-25) pertaining to Ministry of Railways. The recommendations of the Committee have been summarised in succeeding paragraphs.

Reply of the Government

Noted.

Recommendation (Para No. 2)

The Committee note that the net revenue of Indian Railways have been negligible for the year 2022–23 and 2023–24. Further, the budget estimate of Net Revenue for the year 2024–25 has been kept at Rs. 2800 crores. The Committee observe that the main reason behind this situation is low revenues from the passenger segment. The budget estimates for passenger revenues for the year 2024–25 have been kept at Rs. 80,000 crores against freight revenue estimate of Rs. 1,80,000 crores. The Committee feel that to increase net revenues of Indian Railways, it is of prime importance to increase its earnings from the passenger segment. The Committee are aware

that Indian Railways are the main means of transport for crores of poor people in the country and they have to incur losses on pricing fares below cost in wake of Social Service Obligations. However, the Committee feel that Indian Railways need to make a comprehensive review of its passenger fares in different trains and classes. Committee feel that 'General class' travel must remain affordable for the masses but at the same time the Committee urge Indian Railways to review its revenues with regard to AC classes by aligning it with costs incurred to reduce losses in passenger segment. The Committee also urge Indian Railways to conduct a comprehensive review of its operating expenses for passenger trains and to rationalise these costs to ensure affordability of its ticket prices.

Reply of the Government

Increasing the Net Revenue is always a priority for Railways. It involves maximizing traffic receipts along with expenditure control measures. To maximize traffic receipts, steps taken by Railways are given below:-

To enhance passenger revenue with a view to ensuring optimum utilisation of available accommodation various initiatives like running of special trains, introduction of Vande Bharat and Amrit Bharat trains, augmentation of on-board capacity, introduction and rationalisation of Flexi-fare scheme in premium trains, periodical review of reservation quota wherever required, extension of Alternate Train Accommodation Scheme known as VIKALP have also been undertaken. Railways have also taken various measures to increase freight and Non fare revenue such as introduction of Gati Shakti Cargo Terminal Policy featuring liberalized provisions, Wagon Investment Schemes, the launch of the Goods Shed Rating Dashboard, introduction of e-Auction Policy for Commercial Earning & Non Fare Revenue contracts, special focus on e-Commerce and FMCG, Inclusion of certain popular ecommerce commodities (e.g. cosmetics, lithium ion batteries, battery powered vehicles etc.) in the Red Tariff, revised guidelines issued for Liberalised Automatic Freight Rebate scheme for traffic loaded in empty flow direction etc.

To control expenditure, measures are being regularly undertaken in Railways in order to ensure savings in the operating expenditure. Expenditure management on Railways aims at better manpower management, electrification of railway track, introducing Head on generation rakes, rationalizing repair and maintenance of rolling stock, efficient utilization of assets etc. Apart from this, rigorous monitoring of expenditure on monthly basis is done to control expenditure.

As a result of these steps, Net Revenue, which was negative during 2021-22 improved to ₹3,260 crore in 2023-24.

Regarding Hon'ble Committee's suggestion of comprehensive review of its passenger fares the following is submitted:

Indian Railways continuously strive to improve passenger traffic and passenger earnings over its network.

W.e.f. 01.01.2020, passenger fares were rationalized, the details of the same are as under:

- No increase in passenger fare of Suburban upto 80 km.
- No increase in season tickets (both suburban & Non-Suburban).
- 01 paisa per kilometre increased in ordinary non-AC classes in Non-Suburban.
- 02 paisa per kilometre increased in Mail/Express Non AC classes in Non Suburban.
- 04 paisa per kilometre increased in AC classes in Non-suburban.

Further to the above, the passenger fares over the suburban section were rationalized w.e.f. 05.05.2022 wherein;

- Single journey basic fare of AC EMU was rationalized by reducing it by around 50%.
- Single journey basic fare of First class has been reduced by around 41% to 49%.

Analysing the figures of FY2023-24, for appreciation of Standing Committee, Indian Railway is not able to recover the cost of service in Suburban (~70% cost is subsidised), Non-AC travel (~61% cost is subsidised). In case of AC travel Indian Railway is able to gain only marginally (~3.5% surplus over cost).

Comments of the Committee

(Please see recommendation Para No. 7 of Chapter-I)

Recommendation (Para No. 3)

The Committee observe that the annual plan for the year 2024-25 has been kept at Rs. 2,65,200 crores, which is the highest ever. The increased Capex in recent years has been mainly

due to increase in Gross Budgetary Support from the Government. Gross budgetary Support which was Rs. 1,17,508 crores in 2021-22 has increased to 2,52,200 crores in BE 2024-25. The contribution of Extra Budgetary Resources (EBR) in Capex has been reduced in recent years and for the year 2024–25, EBR(BE) has been kept at Rs. 10,000 crores. The Committee are aware that market borrowing for capital expenditure increases financial liabilities as it entails debt servicing from its revenues. Due to this reason Indian Railways have rationalised EBR(IF) and EBR(Bonds). However the Committee are of the opinion that the modernisation of Indian Railway infrastructure demands huge capital investment. The Committee feel that there is ample scope of improvement in Indian Railways' infrastructure and there is need to significantly increase its planned expenditure. The Committee recommend the Ministry to find ways to increase Private Sector participation in creation of Railway infrastructure.

Reply of the Government

Hon'ble Committee has observed that IR's infrastructure demands huge Capital investment and there is need to increase planned expenditure. In this regard, it is submitted that IR's annual Capital Budget has been growing over the years. From ₹ 58,718.92 crore in 2014-15 (out of which GBS was ₹ 32328 crores), the Capex for 2024-25 in Budget Estimate has been fixed at Rs.265200 cr (with GBS of ₹ 252200 crore) in Budget Estimates, which is a phenomenal growth. With the increased investment under Capital segment of the Budget, the focus of the Government has been put on infrastructure development, network expansion, creation of terminal facilities, safety and removal of traffic bottleneck. With this infusion of massive investment, the Railways have been able to fast track project execution. Network capacity augmentation projects are getting completed and easing traffic movement.

Various steps being taken by Railways for effective and speedy implementation of rail projects include:

- (i) Prioritisation of projects.
- (ii) Substantial increase in allocation of funds on priority projects.
- (iii) Delegation of powers at field level.
- (iv) Close monitoring of projects at various levels and,

(v) Regular follow-up with State Governments and concerned authorities for expeditious land acquisition, forest and wildlife clearances and for resolving other issues pertaining to projects.

Committee has also suggested to increase private Sector Participation in Railway Infrastructure. In this regard, it is submitted that there are various sources of financing in Indian Railways viz Gross Budgetary Support (Capital, Safety Fund and RRSK), Internal Resource Generation (Depreciation Reserve Fund, Development Fund, Capital Fund) and Extra Budgetary Resources (EBR-Partnership etc). PPP is an Extra Budgetary Resource.

Ministry of Railways (MoR) 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, Build Operate Transfer (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. So far, 17 projects of Rs. 16,434 crore have been completed through PPP model. 8 projects of Rs. 16,614 crore are under implementation including coal connectivity and port connectivity projects. Five Public Private Partnership (PPP) models of Participative Policy of MoR, namely Non- Government Railway (NGR), Joint Venture (JV), Customer Funded model, Built-Operate Transfer (BOT) and BOT Annuity models have been formulated to attract private investment in Rail connectivity Projects. MoR has also set up two locomotive factories (one electric and one diesel) in Joint Venture with private players.

The year-wise Targets vis-à-vis Achievements under PPP has been as under: -

Figures in Crores

SN	EBR (PPP)	FY- 2022-23	FY- 2023-24	FY- 2024-25
A.	Targets	14700.00	17000.00	10000.00
B.	Achievements	11086.03	16625.36	8732.24 (upto Dec. 2024)

The allocations for EBR (PPP) on annual basis are decided in consultation with stakeholders based on the estimates provided by Other Ministries/States/PSUs and Private players which varies on the basis of business activity in the given time period. Railway's Participative Policy is open to interested parties to incentivize their investments.

Comments of the Committee

(Please see recommendation Para No. 10 of Chapter-I)

Recommendation (Para No. 4)

The Committee observe that the Internal Resource component of the Indian Railways' capital expenditure is quite limited. Internal resource component of Capex was Rs. 3401 crores during 2022-23 and 2943 crores during 2023-24. The Budget estimate for Internal Resource component for 2024-25 has been kept at 3000 cr. Committee note that there is scope to increase Internal Resource through non-fare revenue. As per vision 2030 document of Indian Railways, it aims to increase the non fare revenue from 3.4% to 20% of total revenue in line with advanced railways systems around the world. Indian Railways had non-fare revenue of Rs. 537.34 crores during 2023-24. There is urgent need to focus on improving non-fare revenue to supplement Capex through Internal Resources. The Committee urge the Railways to seek assistance from external agencies, if necessary, to enhance revenue by fully utilising the extensive advertising space and substantial land holdings at their disposal. The Committee also urge the Railways to further augment their Internal Resources by vigorously promoting development/leasing of commercial complexes in and around Railway Stations to tap the high footfall of travellers. Further, Railways ought to explore additional innovative methods for increasing revenue by gaining insights into advanced railway systems globally

Reply of the Government

Internal resource of IR is a function of earnings under various segments i.e. Passenger, Goods, Other Coaching, Sundry and its operational expenditure. Indian Railways need huge capital investment and capex requirement is mainly met from Budgetary resources as internal resource generated is insufficient for its capital requirement. Though total traffic receipts have increased from Rs. 2,40,136.67 cr. in 2022-23 to Rs. 2,55,366.31 cr. in 2023-24, surplus generated has not been adequate considering that IR's committed operational expenditure (staff cost, fuel, lease, store etc.) is substantial (86% of total costs).

To increase the internal resources, Railways are making efforts to increase the earnings along with efforts to control expenditure. To increase the traffic earnings, Railways have taken various measures such as given below:

To enhance passenger revenue with a view to ensuring optimum utilisation of available accommodation, various initiatives like running of special trains, introduction of Vande Bharat and Amrit Bharat trains, augmentation of on-board capacity, introduction and rationalisation of Flexi-fare scheme in premium trains, extension of Alternate Train Accommodation Scheme known as VIKALP have also been undertaken etc. Railways have also taken various measures to increase freight and Non fare revenue such as introduction of Gati Shakti Cargo Terminal Policy featuring liberalized provisions, Wagon Investment Schemes, the launch of the Goods Shed Rating Dashboard, introduction of e-Auction Policy for Commercial Earning & Non Fare Revenue contracts, special focus on e-Commerce and FMCG, Inclusion of certain popular ecommerce commodities (e.g. cosmetics, lithium ion batteries, battery powered vehicles etc.) in the Red Tariff.

Regarding the Hon'ble Committee suggestion for enhancing Non-fare revenue, it is submitted that IR continuously endeavours to generate non fare revenue.

Railways' Sundry Revenue (Non-fare revenue) is steadily increasing year on year and increased to Rs.9652.44 cr. in 2023-24 from Rs.5938.60 cr. in 2020-21 i.e. an increase of 62.5%. Revenue from Land lease has increased to Rs. 1331 cr. in 2023-24 which was Rs. 863 cr. in 2021-22. Receipts from catering department have increased to Rs. 1424 cr. in 2023-24 against Rs. 334 cr. in 2021-22. Similarly, revenue from Advertisement and Publicity stood at Rs. 537.34 cr. against Rs. 168 cr. in 2021-22.

Railways have placed special thrust to increase Sundry revenue (Non-fare revenue). In this direction, along with station redevelopment, Indian Railways has undertaken commercial development of built-up area, air space and vacant land (station estate) to support infrastructure growth of Railways. The development of surplus land/station estates must be consistent with the approved master plan of station redevelopment.

The other initiatives have also been undertaken to enhance sundry earnings as given below:

- Station Seva and Suvidha at Amrit Bharat Stations Anubandh:

This initiative, One Station- One Service Provider, could be a key contributor to increasing NFR through enhanced services and infrastructure utilization.

- Yatri Seva Anubandh (YSA) - One train - One Service Provider: To provide seamless service to the passengers. This eliminates fragmented contracts and enhances earnings.
- Rail Display Network (RDN): To disseminate railway information and generate revenue through digital advertising across the railway network.
- Gaming and Recreation Zones: The proposed gaming and recreation zones, in collaboration with RailTel, could yield higher revenues.
- Branding of Summer and Winter Special Trains:

Seasonal branding and partnerships can provide new revenue opportunities through advertising and sponsorship deals.

Moreover, to enhance revenue by fully utilising the extensive advertisement space, the existing policies of NINFRIS (New and Innovative Non-Fare Revenue Ideas Scheme), ATMs, and the other policies are suitably being modified and onboarded with the e-auction policy and to align with the Out of home(OOH) market conditions.

By implementing these initiatives, Indian Railways may significantly enhance its sundry earnings and increase its share to Railways total receipts.

Along with the above, this ministry is also taking efforts to control expenditure in order to ensure savings in the operating expenditure. Expenditure management on Railways aims at better manpower management, electrification of railway track, introducing HOG rakes, rationalizing repair and maintenance of rolling stock, efficient utilization of assets etc. Apart from this, rigorous monitoring of expenditure on monthly basis is done to control expenditure.

As a result of these steps, Railways have generated a Net Revenue of Rs.3,260 crore in 2023-24.

Recommendation (Para No. 5)

Indian Railways have created new milestones with regard to new lines/gauge conversions/Doubling projects in recent years. Indian Railways have also electrified 97% of their broad-gauge network. The Budget estimates for New Lines, Gauge Conversion and Doubling for the year 2024-25 stand at Rs. 40,102.75 Cr, Rs. 4719.5 Cr and Rs. 29312.19 Cr respectively. However, one of the primary factors contributing to delays in numerous projects is issues associated with land acquisition. The Committee, during its study visit also, concluded that land acquisition is a significant factor contributing to delays in completion of railway infrastructure projects. It is pertinent that Railways should consider potential policy modifications to accelerate the land acquisition process. Additionally, there should be consistent engagement with state governments at the highest levels to address land related issues and guarantee timely acquisition of land. Indian Railways may also enlist the assistance of local Members of Parliament to facilitate coordination with state governments for efficient and timely land acquisition.

Reply of the Government

Indian Railways have a number of projects where considerable investments have been made but returns are not forthcoming due to land acquisition problems. Therefore, it has been decided that the commencement of physical work for New Line projects shall be taken up only after completion of land acquisition. However, General Managers of Zonal Railways have been empowered to invite tenders if they are certain of the possibility of land acquisition in a reasonable time frame. General Managers of Zonal Railways have also been empowered to review further investment in projects where State support is not forthcoming and the projects have remained in limbo for long period. Railway is continuously following up with the State Governments to take necessary steps in this regard to expedite execution work of New Lines. Pace of execution of project is dependent on expeditious land acquisition. Railway acquires the land through State Government. State Government assesses the compensation amount and the same is advised to Railways. On receipt of demand from State Government, Railway deposits compensation amount with concerned District Land acquisition Authority.

Letters are sent to State Governments on regular basis seeking personal intervention in resolution of issues pertaining to acquisition of land by the State Governments and deposition of state's share in Cost Sharing Railway projects.

To ensure that projects are completed in time without cost overrun, lot of monitoring is done in Railways at various levels (field level, divisional level, zonal level and Board level) and regular meetings are held with the officials of State Government and concerned authorities to resolve the pending issues that are obstructing the progress of projects.

Recommendation (Para No. 6)

The Committee note that Indian Railways have eliminated all unmanned level crossings, which were a huge safety hazard. The Committee further note that there are 17,053 manned level crossings across Indian Railways. Ministry of Railways is actively working to enhance safety and mobility through Road over Bridges & Road Under Bridges. One of the major reasons for delay in ROB/RUB related projects was cost sharing/land acquisition by State Governments. The Committee appreciate that Railways have brought new policy wherein old sanctioned works stalled due to no response from state governments on cost-sharing can be taken up at 100% Railway cost. The Committee feel that this step could go a long way into ensuring timely completion of pending projects. The Committee are happy to note that BE for ROB/RUBs for 2024-25 has been kept at Rs. 9874.69 crore which shows a significant increase from 2023-24 when it was 6097.39 crores(actual). The Committee further observed that Indian Railways have not met their targets for completion of ROB/RUBs during any of the last 3 years. In the year 2023-24 against the target of construction of 1100 ROB/RUBs the actual achievement was 1078. The Committee would urge the ministry to work on the measures it has initiated to achieve its targets related to ROB/RUBs in coming years.

Reply of the Government

There are 17,083 manned Level Crossing on the broad gauge network of Indian Railways. Sanctioning and execution of works of Road over Bridge (ROB)/Road under Bridge (RUB) in lieu of Level crossings (LCs) is a continuous and dynamic process of Indian Railway. Such works are prioritized and taken up on the basis of its impact on safety in train operations, mobility of trains & impact for road users and feasibility etc.

Generally construction of ROB/RUB is used to be difficult due to various reasons enumerated as under:

- Land acquisition requirements & Rehabilitation & resettlement to be done by State Govt.
- Coordination issues
- Conventional methods of execution
- Allocation of requisite funds by State Government as required.

Following steps are being taken to address these challenges:

- **Cost of land acquisition involving private land, R&R and utility shifting:** For ROB/RUBs sanctioned on 100 % cost of Railway, the cost of land acquisition involving private land, R&R and utility shifting shall be charged to the project and kept in the estimate at the time of sanction and shall be borne by railways
- **Periodic meeting** of Railway & State Government officials to resolve various issues related to ROB/RUB works.
- **Standardization of drawings:** Standardization of drawings for various superstructures (Spans) to save time of design. A compendium for Standardization for Super Structure of ROB drawings have been launched on 02.06.2022 for different combination of spans, loading, carriage way width, skew angles which is a repository of 218 numbers of detailed design/drawings. It consists of 30 RDSO standard designs along with 188 drawings of other approved drawings for superstructure, which can be directly adopted for road over bridge across railway lines for expeditious planning and execution of ROB by Zonal Railways, NHAI/MoRTH and State Govt. This will avoid time taken for doing and approving new designs of superstructure. It is hoped that Zonal railways, NHAI/MoRTH, State Governments, etc. will get benefitted from the Compendium for expeditious execution of ROB Projects.

- **Use of pre-cast construction and heavy machineries:** Precast RCC boxes are being used for the fast pace construction of RUB/ LHS. High capacity cranes are also being used in the placement of boxes under the track. In box pushing/ pulling method of construction, hydraulic jacks/mechanical winch are being used **for** fast pace construction. Similarly, use of high capacity cranes for girder launching and use of sacrificial shuttering while casting deck slabs of ROB are being done to expedite the progress of ROB works.

During maintenance of these structures particularly in LHS modern method of PU/ epoxy grouting etc. is also being used to make these structures more sustainable.

Further, to encourage the fast pace construction, innovative design and use of precast construction has been permitted.

- **Innovative designs:**

Guidelines are issued to Zonal Railways for use in planning and execution of grade separator works to ensure all weather LHS/RUB& pedestrian friendly ROB.

1. RUBs/Subways with combination of openings with different heights and differential road levels.
2. ROB with SUBWAY/RAMP.

Completion & commissioning of ROB/RUB works depend on various factors like cooperation of State Governments in consent for closure of LC, fixing of approach alignment, approval of General Arrangement Drawing (GAD), land acquisition, removal of encroachment, shifting of infringing utilities, statutory clearances from various authorities, law and order situation in the area of project / work sites, number of working months in a year for particular project / work sites due to climatic conditions etc. All these factors affect the completion time of the projects / works.

Recommendation (Para No. 7)

The Committee observe that Indian Railways is actively pursuing various new initiatives aimed at transforming the railway sector in India. These initiatives prioritise the enhancement of passenger amenities, the safety of travelers, and the economic advancement of the nation. Indian Railways have launched the Vande Bharat and Amrit Bharat non-AC trains, which offer modern facilities to passengers. Additionally, plans are underway to introduce Vande Bharat sleeper trains and Vande Metro trains, which are expected to significantly improve the passenger experience. A key initiative includes the development of corridors for (i) Energy, Minerals, and Cement; (ii) Port connectivity; and (iii) High Traffic Density, all identified under the PM Gati Shakti Mission to facilitate multi-modal connectivity. The Committee appreciate that major part of the Gross Budgetary Support is directed towards implementation of these three Economic Railway Corridors and Government is committed towards assured Budgetary support for projects under these Corridors. The Committee believe that the establishment of these corridors will have a positive multiplier effect on the Indian economy. Furthermore, the Committee are of the opinion that these corridors will enhance the share of Indian Railways in freight transport, thereby generating increased revenue for the organisation while simultaneously reducing the carbon footprint. The Committee urge the Ministry to prioritise the development of these corridors by drawing specific phases and timelines for timely execution and completion of each corridor.

Reply of the Government

Railway projects are surveyed/sanctioned/executed Zonal Railway-wise and not State/area-wise/district-wise as the projects may span across State boundaries. Furthermore, Railway infrastructure projects are taken up on the basis of remunerativeness, last mile connectivity, operational requirements, missing links and alternate routes, augmentation of congested/saturated lines, socio-economic considerations etc. depending upon liabilities of ongoing projects, overall availability of funds and competing demands.

For seamless movement of people, goods and services and enhanced logistics efficiency, presently, 624 no. of surveys (New Lines, Gauge Conversion and Doubling) having a total length of about 49,520 km including the projects situated in energy, mineral and cement corridors; high

traffic density corridors & port connectivity corridors have been taken up on Indian Railways under the PM Gati Shakti National Master Plan (NMP) by providing connectivity to industrial clusters, agricultural zones, ports, mines, power plants, remote areas, tourist and cultural places, etc.

The completion of any Railway project depends on various factors like quick land acquisition by State Government, forest clearance by officials of forest department, deposition of cost share by State Government in cost sharing projects, priority of projects, shifting of infringing utilities, statutory clearances from various authorities, geological and topographical conditions of area, law and ordersituation in the area of project(s) site, number of working months in a year for particular project site due to climatic conditions etc.

Various steps taken by the Government for speedy approval and implementation of Railway projects include (i) setting up of Gati Shakti units (ii) prioritisation of projects (iii) substantial increase in allocation of funds on priority projects (iv) delegation of powers at field level (v) close monitoring of progress of project at various levels, and (vi) regular follow up with State Governments and concerned authorities for expeditious land acquisition, forestry and Wildlife clearances and for resolving other issues pertaining to projects. This has led to substantial increase in rate of commissioning since 2014.

Railways are environment friendly and energy-efficient mode of transportation, yielding substantially lower CO₂ emissions. As per NITI Aayog report, the CO₂ emissions from movement of freight by rail transport are about 90% less than the road transport.

Indian Railways (IR) has taken various initiatives to achieve Net Zero Carbon emissions. To achieve this goal, the Railways has implemented various measures to reduce its greenhouse gas emissions, including the use of electric traction, promotion of energy efficiency, promotion of renewable energy sources like solar and wind power and use of energy efficient technologies like completely switching over to production of three phase electric locomotives, EMU, MEMU, Vande Bharat etc. with regenerative features, use of head on generation (HOG) technology, use of LED lights in buildings & coaches, use of Star rated appliances and afforestation.

The quantum of reduction in Carbon emission is an ongoing process as efforts of Carbon emission reduction vis-à-vis the quantum of Carbon emission with traction & non-traction energy requirement and ongoing process.

Indian Railways is committed to playing a pivotal role in realizing the vision of Viksit Bharat by 2047. With a comprehensive portfolio of projects planned through a program and corridor-based approach, Railways aims to be a key player in the nation's transport ecosystem.

Indian Railways has identified three key economic corridors comprising 434 projects (Energy, Mineral and Cement Corridors consisting of 192 projects, High Traffic Density Routes comprising 200 projects, Rail Sagar Corridors comprising 42 projects) with total cost outlay of INR 11.17 Lakh Crore proposed to be completed by 2033-34.

These three corridors are a key infrastructure initiative for Railways in catering to additional cargo loading of 1300 MTPA by FY 2030-31. With increased rail modal share of 35% by 2030-31, it is estimated that there will be reduction of oil import bill to the tune of INR 1.28 lakh Crore per annum and Carbon emission reduction of 43 MT per annum.

As on 01.01.2025, all 434 corridor projects have been mapped on PM GatiShakti portal. Detailed Project Report (DPR) of 169 projects have been prepared, out of which, 70 projects covering track length 6,294 Km & costing INR 1.14 Lakh Crore have been sanctioned and 99 projects with track length of 11,307 Km and estimated cost of INR. 2.39 Lakh Crore are under different stages of appraisal/ inter-ministerial consultation.

A prioritization framework encompassing critical parameters has also been established for streamlining project sanctioning in phases and accordingly, project commissioning by 2033-34.

Given the long gestation periods for these projects, Indian Railways is also focusing on key initiatives in project planning, standardization, digitization, and monitoring to accelerate the execution and completion of these critical corridor projects.

Ministry of Railways has taken up construction of two Dedicated Freight Corridors (DFC) viz. Eastern Dedicated Freight Corridor (EDFC) from Ludhiana to Sonnagar (1337 Km) and Western Dedicated Freight Corridor (WDFC) from Jawaharlal Nehru Port Terminal (JNPT) to Dadri

(1506 Km) for higher transport output in the country with reduced transit time and cost. The EDFC links the mineral rich industrial parts of Eastern India like Jharkhand and Chhattisgarh with the Northern hinterland of the country like Uttar Pradesh, Delhi, Haryana and Punjab which has significantly reduce overall travel time and logistic cost of transportation of minerals like Coal & Steel etc. and WDFC will cater to port traffic of western coast.

Further 17 projects of rail connectivity and port connectivity under Participative Policy of Rs. 16,434 crore have been completed through various models of PPP and 8 such projects of Rs. 16,614 crore are under implementation including coal connectivity and port connectivity projects. The details of Coal Connectivity and Port connectivity projects are as under:-

(A) Coal connectivity Projects (Joint Venture Projects):-

- (i) Kharasia-Dharamjaigarh-Ghargoda-Donga Mahua, (NL) and Dharmjaygarh-Korba(Urga) Project (CERL)

[Length:(122Km+63Km); Cost:Rs.3600 +1686.22 Cr.]

- (ii) Gevra Road-Pendra Road (NL) Project (CEWRL)

[Length:135 Km; Cost:Rs.4970.11 Cr.]

- (iii)Shivpur-Kathautia Project (JCRL)

[Length:49 Km; Cost:Rs.1799 Cr.]

(B) Port Connectivity Projects (Non Government Railway Project):-

- (i) Roha – Dighi Project

[Length:36.3 Km; Cost: Rs.1593.78 Cr.]

- (ii) Subaranrekha Port connectivity Project

[Length:37 Km; Cost: Rs.707 Cr.]

- (iii)Vizhinjam Port/Southern Railway Project

[Length:10.7 Km; Cost: Rs.1060.123 Cr.]

These three projects are fully private funded.

Recommendation (Para No. 8)

The Committee observe that Indian Railways have implemented/are planning several technological advancements in passenger rolling stock, including the Vande Bharat Chair Car trains, Vande Bharat Sleeper trains, Namo Bharat Rapid Rail, and Amrit Bharat Train, among others. One of the most important initiatives being taken up by Indian railways with regard to Rolling Stock is replacement of ICF coaches with LHB coaches. Indian Railways are producing only LHB coaches from April 2018 onwards. The Committee further note that Indian Railways are continuously increasing their production capacity in LHB coaches. The Budget allocation for Rolling Stock for 2024-25 has been kept at Rs. 54113.78 Cr which is an increase of Rs 156 Cr over actual expenditure during 2023-24. The Committee urge the Ministry to increase the pace of replacement of ICF coaches with LHB coaches as LHB coaches provide improved safety and comfort. Further ICF coaches can be turned into NMG coaches for carrying automobiles and other goods. The Committee further note that Indian railways have not met their targets for production of coaches during 2023-24. The Committee urge the Railways to take urgent steps to increase production capacity of coaches in their Production Units.

Reply of the Government

Indian Railway has increased the pace of replacement of ICF coaches with LHB coaches. IR plans to replace all ICF rakes with LHB coaches in next 5 years.

Further, conversion of ICF coaches to NMG coaches is being executed at Indian Railway Workshops. Till now, approx. 4200 ICF coaches have been converted into NMG.

During 2023-24, the production of LHB coaches was higher than the target, i.e. 4977 LHB coaches were produced against the target of 4934 coaches. However, the production of DPRS (Distributed Power Rolling Stock) coaches was less than the target due to supply chain issues with the propulsion system.

Furthermore, Indian Railways is committed to continuously increasing its production capacity as per traffic requirements.

Recommendation (Para No. 9)

The Committee note that safety is the first priority of Indian Railways. Indian Railways are taking various measures to improve safety in rail operations. Signaling plays a very vital role in safety. Advanced Signaling System has been provided at 6605 stations, covering 99.4% of total broad-gauge railway stations. The Budget Estimate for the plan head Signal and Telecom for the year 2024-25 has been kept at Rs. 4647.28 Cr which is an increase of Rs. 896 Cr over actual expenditure during 2023-24. The Committee urge the Railways to install latest signaling technology at the remaining stations on broad gauge and stations on other gauges. The Committee are aware that Indian Railways' RDSO, in association with Indian vendors, has developed Kavach Automatic Train Protection System, which will greatly improve safety in Indian Rail operations. However, the Committee are concerned with the slow progress of its expansion. Kavach has so far been deployed on 1465 route km of the South Central Railway and 80 route km on North Central Railway. The Committee are also aware that tender have been invited for Delhi-Chennai, Mumbai- Chennai and other important corridors. The Committee feel that there is urgent need to speed up Kavach related works and ensure faster penetration of Kavach across Indian Railway Network.

Reply of the Government

1. Advance Signalling System is being provided progressively on all BG stations. Provision of Advance Signalling System for remaining stations on Broad Gauge is approved and works are in progress. Stations on other gauges are being provided with advance signalling system along with Gauge conversion. Advance Signalling System includes-
 - (i) Panel/Route Relay/Electronic Interlocking with centralized operation of points & signals– 6612 stations.
 - (ii) Complete Track Circuiting of stations – 6620 stations
 - (iii) Interlocking of Level Crossing gates – 11082 nos.

- (iv) Block Proving by Axle Counter (BPAC) – 6108 block section.

2. Kavach:

- (i) Kavach is a highly technology intensive system, which requires safety certification of highest order (SIL-4).Kavach specification version 4.0 was approved by RDSO on 16.07.2024 and planned for large scale deployment over Indian Railways.

- (ii) Kavach has been deployed on 1465 Rkm on South Central Railway and 83 Rkm on North Central Railway. Contracts are awarded and works are in progress on 3000 Rkm on Delhi-Howrah & Delhi-Mumbai routes.

- (iii) Implementation of Kavach System involves following Key Activities:

- a) Installation of Station Kavach at each and every station, block section.
- b) Installation of RFID Tags throughout the track length.
- c) Installation of telecom towers throughout the section.
- d) Laying of Optical Fibre Cable along the track.
- e) Provision of Loco Kavach on each and every Locomotive running on Indian Railways.

- (iv) Progress of Key items comprising Kavach system on Indian Railways upto Nov' 2024 is as under: -

SN.	Items	Progress
i	Laying of Optical Fibre Cable	5133 Km
ii	Installation of Telecom Towers	540 Nos.
iii	Provision of Kavach at Stations	523 Nos.

iv	Provision of Kavach in Loco	707 Locos
v	Installation of Track side equipment	3434Rkm

(v) Next phase of Kavach implementation is planned as under: -

(a) Bids for track side Works of Kavach for approximately 15000 Rkm have been invited. With this, all High Density Network (HDN) routes and Identified sections of Indian Railways are covered.

(b) Contracts for equipping Kavach in 10,000 Locomotives have been finalized. 69 number of loco sheds have been prepared for equipping locomotives with Kavach.

(vi) In addition to above following steps are being taken to speed up Kavach implementation:

(a) Currently, 3 OEMs are approved for supply of Kavach System. To increase capacity and scale of implementation, trials and approval of more OEMs are at different stages.

(b) Specialized training programme on Kavach are being conducted at centralized training institutes of Indian Railways to impart training to all concerned officials. By now more than 9000 technicians, operators and engineers have been trained on Kavach technology. Courses have been designed in collaboration with IRISSET.

Recommendation (Para No. 10)

The Committee note that there are 8800 Railway Stations across Indian Railways' network. For provision of amenities, Railway Stations are categorised based on earnings and outward passengers handled. Over the years Indian Railways have undertaken modernisation/upgradation of stations under different schemes, such as 'the Model Station Scheme', 'Modern Station Scheme', 'Adarsh Station Scheme'. At present, stations are being upgraded under the 'Amrit Bharat Station Scheme', launched in the year 2022. Committee note

that Amrit Bharat Scheme envisages development of railway stations on a continuous basis with long-term approach. The scheme includes provision for better amenities like lifts, escalators, free Wi-Fi, improved waiting halls, toilets, and better passenger information systems etc. The Committee appreciate that the scheme provides for special facilities for Divyangjan. Further, the Committee are aware that 1337 stations have been identified for upgradation/modernisation under this scheme across Indian Railways. The Committee urge the ministry to increase pace of work at these stations and also take up other stations especially in backward areas for betterment of basic amenities like toilets, provision of drinking water, waiting rooms etc. The Committee also urge the ministry to look for private sector participation for Station redevelopment to reduce dependence on budgetary support and internal resources for Station Redevelopment works.

Reply of the Government

Ministry of Railways has accelerated the redevelopment of major stations across the country and has initiated 'Amrit Bharat Station Scheme'. So far, 1337 stations have been identified for development across the country including backward areas under this scheme. Presently, work is in progress at 1198 Railway Stations under this scheme to provide modern amenities. Other Railway Stations are at different stages of tendering and planning.

Ministry of Railways is exploring all the options of PPP mode for station development. Presently, a proposal for redevelopment of Vijayawada Railway station has been submitted to PPPAC for appraisal.

(Please see recommendation Para No. 13 of Chapter-I)

Recommendation (Para No. 11)

The Committee are aware that most of the earnings of Indian Railways comes from its freight loading activities. In 2023-24, Indian Railways earned revenue of Rs. 1,68,293 Cr from freight traffic and target to achieve Rs. 1,80,000 Cr during 2024-25. The Committee note that the percentage share of Indian Railways in freight traffic in the country is 26%. Freight carried by Indian Railways is touching new milestones every year. However, the average speed of freight trains during the year 2013-24 was only 25.14 km/h. The Committee further feel that creation of

Dedicated Freight Corridors is of prime importance to increase the speed of freight trains, thereby increasing freight loading as well as earnings of Indian Railways. The Committee are aware that Indian Railways have taken up the construction of two dedicated freight corridors viz. the Eastern Dedicated Freight Corridor, from Ludhiana to Sonnagar (1337 km), and the Western Dedicated Freight Corridor from JNPT (Mumbai) to Dadri (1506 km). The work on EDFC has been completed and 102 Km section remaining on WDFC from Vaitarna to JNPT is expected to be completed by December, 2025. The Committee urge the Ministry to expedite work on new DFCs across the country to increase Railways' revenues by increasing share of freight loading via train.

Reply of the Government

Ministry of Railways has taken up construction of two Dedicated Freight Corridors (DFCs) viz. Eastern Dedicated Freight Corridor (EDFC) from Ludhiana to Sonnagar (1337 Km) and the Western Dedicated Freight Corridor (WDFC) from Jawaharlal Nehru Port Terminal (JNPT) to Dadri (1506 Km). Out of total 2843 Km, 2741 Route Kilometers (96.4%) has been commissioned and operational, which carried 83,343 freight trains during F.Y. 2024-25 (April to November).

Further, Ministry of Railways have got prepared the Survey/Detailed Project Report (DPR) on the following potential routes of DFCs and the same are under consideration:-

(i) East - Coast Corridor - From Kharagpur to Vijayawada

(ii) East-West corridor:

(a) From Palghar –Bhusawal-Nagpur- Kharagpur- Dankuni

(b) From Rajkharsawan- Kalipahari - Andal

(iii) North-South Sub-corridor – From Vijayawada –Nagpur- Itarsi

None of the above DFCs corridor has been sanctioned yet. The decision regarding sanctioning of any Dedicated Freight Corridor depends on many factors including traffic volume, techno-economic feasibility and financial viability.

Comments of the Committee

(Please see recommendation Para No. 16 of Chapter-I)

Recommendation (Para No. 12)

The Committee are aware that Indian Railways has to take into account larger social and national interests in formulating its policies. The Committee note that Indian Railways undertake certain uneconomic operations in passenger services to provide affordable transport facilities to various sections of society. Indian Railways also operate certain uneconomic lines for strategic reasons. The losses incurred on these account fall under Social Service Obligation. Net social service obligation for the year 2022-23 stood at Rs. 40,190 crores. Major components of social service obligations are pricing of fares below cost, losses on parcel, luggage, postal and catering services, losses on suburban services etc. The Committee are of opinion that to limit these losses Indian Railways must undertake comprehensive review of these losses. Further losses on categories like catering services must be eliminated on priority basis. The Committee urge the Ministry to endeavour to provide quality food at competitive prices and simultaneously aim to reduce Social Service Obligations on account of catering services.

Reply of the Government

Indian Railways is committed to offer affordable transportation solution to the poorest section of the society and therefore, the passenger fares have traditionally been kept at low level particularly for second class ordinary and suburban passengers which constitute about 75-80% of the total passenger traffic.

Indian Railways is life line of nation and contributes a lot to National Economy. It continues to incur losses every year by performing a variety of un-remunerative services, which imposes a heavy burden on Indian Railways' finances.

Tariff fixation is one of the important functions of Railways which not only determines affordability for customers but also its competitiveness in comparison to other modes of transport. Evaluation of tariff is a continuous and ongoing process.

Review of Parcel business is done on regular basis. This includes identifying potential areas of improvement as well as new areas where parcel business can be expanded and made competitive vis-a-vis road transport. Some steps taken in this regard include introduction of e-auction in

parcel leasing, introduction of concept of online booking of VPs through Virtual Aggregator Platform, strengthening of Parcel Management System through installation of PMS at all parcel offices etc.

It is the continuous endeavour of Indian Railways to make available adequate catering facilities for travelling passengers in trains and at stations. The objective is to ensure that the customer, i.e. the passenger, remains the focus of catering services. Given the fact that catering is, first & foremost, a passenger service/amenity and, then, a profit centre, continuous efforts are made to provide good quality and hygienic food to passengers at the notified tariff. Due emphasis is also placed to ensure availability of quality food for the not-so-affluent classes of passengers by providing affordable economy meals, standard meals, economy combo-meals, etc.

The following measures have been taken to improve quality of food :

- Supply of meals from designated Base Kitchens.
- Commissioning of modern Base Kitchens at identified locations.
- Installation of CCTV Cameras in Base Kitchens for better monitoring of food preparation.
- Shortlisting and use of popular and branded raw materials, like cooking oil, atta, rice, pulses, masala items, paneer, dairy products etc. for food production.
- Deployment of Food Safety Supervisors at Base Kitchens to monitor food safety and hygienic practices.
- Deployment of on-board IRCTC supervisors on trains.
- Introduction of QR codes on food packets, enabling display of details like name of kitchen, date of packaging etc.
- Regular deep cleaning and periodical pest control in Base Kitchens and Pantry Cars.

- In order to ensure compliance with Food Safety Norms, Food Safety and Standards Authority of India (FSSAI) certification from designated Food Safety Officers of each catering unit has been made mandatory.
- Regular and surprise inspections by Railway/ IRCTC officials.

Recommendation (Para No. 13)

The Committee note that the Research Design & Standards Organization (RDSO) under the Ministry of Railways is a Research & Development wing of Indian Railways responsible for the development and absorption of new technology for the use of Indian Railways. RDSO also collaborates with renowned institutions like IITs, IISc, CSIR, DRDO, and international universities/institutions like Japan Railways, etc. However, the Committee observe that budget estimates for Railway Research for year 2024-25 has been kept at only Rs. 72.01 Cr. Further it is additionally concerning that the Railways have been unable to utilize the limited allocated funds for research during the past two years. Against Revised Estimates of 107 Cr in 2022-23 and 66.52 Cr in 2023-24, the actual expenditure was Rs. 39.12 Cr and Rs. 28.34 Cr respectively. The Committee feel that Research & Development is a prudent investment in the long term for modernisation of Indian Railways. The Committee would urge the ministry to take urgent steps to increase the scope of its Research & Development activities to ensure the modernisation and assimilation of latest technologies in Indian Railways.

Reply of the Government

RDSO continues to work towards development and absorption of new technologies for the use on Indian Railways as advised by the Committee.

It is submitted that in addition to the allocation under Plan Head 18, several research projects undertaken by RDSO under collaboration with scientific and technological institutions derive funding through appropriate sanction available in Zonal Railways under various other Plan Heads. In several such cases, RDSO is closely involved in the development of specifications, protocol development and proof of concept trials. RDSO remains aggressively involved through Technology Readiness Levels-3 to Technology Readiness Levels-6, requiring close coordination with contract awarding authorities in Zonal Railways. Some projects such as Kavach, Vande

Bharat Train sets, Wheel Impact Load Devices and Hot axle Hot wheel devices, dedicated test track for Rolling Stock being developed under RDSO's stewardship are some key examples where the sanctions were provided to Zonal Railways in other Plan Heads, while specifications development, Offer/ Vendor appraisal and Prototype validation were conducted by RDSO. Further, for this purpose, other types of Revenue expenditure, including that on manpower involved in R&D activities in RDSO, are also made by Railways. For FY 2021-22, 2022-23 and 2023-24, total Revenue expenditures for RDSO were Rs. 368.59 Crore, 393.15 Crore and 417.29 Crore respectively.

With this perspective, Ministry of Railways expresses its unflinching resolve towards the development and assimilation of cost-effective railway technologies for improved safety, speed and throughput.

Recommendation (Para No. 14)

The Committee note that Indian Railways have set a target of making themselves Net Zero Carbon Emitter by 2030. Committee have been made aware of various initiatives being taken by Indian Railways towards turning Indian Railways into 'Green Railways'. The measures include electrification of railway lines, sourcing of energy requirements through renewable sources, water conservation, waste management etc. Indian Railways have also commissioned 241 MW solar power capacity & 103.4 MW wind-based power plants. Further Indian Railways are planning to run 35 hydrogen trains. The Committee further note that Indian Railways are also extensively using regenerative propulsion technology and adopting energy efficiency measures. Indian Railways are providing water recycling plants at major consumption centre locations like Production Units, Workshops, and Stations etc. Indian Railways are also carrying out afforestation on vacant land which will also help safeguard Railway land from encroachments. The Committee appreciate these steps and would recommend the Ministry to continue with these policies which would help to turn Indian Railways into truly Green Railways. The Committee further urge the Ministry to incorporate 'Green Budgeting' methodologies into its financial allocations.

Reply of the Government

Sovereign Green Bond Framework established by the Department of Economic Affairs (DEA)/ Ministry of Finance (MoF) to ensure that financial resources are allocated to environmentally sustainable projects contributing to India's climate goals. A 'green project' classification is based on the following principles:

- Encourages energy efficiency in resource utilization
- Reduces carbon emissions and greenhouse gases
- Promotes climate resilience and/or adaptation
- Values and improves natural ecosystems and biodiversity especially in accordance with SDG principles.

Government of India use the proceeds raised from Sovereign Green Bonds (SGrB) to finance and/or refinance expenditure (in parts or whole) for eligible green projects falling under 'Eligible Categories' and Indian Railways falls under the Clean Transportation category with the environmental objective of Climate Change Mitigation. Projects qualify under this category if they:

- Promote public transportation including its electrification and transport safety.
- Subsidies to adopt clean fuels like electric vehicles including building charging infrastructure.

Three projects of Indian Railways have already secured funding under Sovereign Green Bonds.

These projects are:

SN	Name of the Project	Brief details of the Project	Budget Allocation		Fund Utilized in FY 2023-24
			RE 2023-24	BE 2024-25	
11	Production of energy efficient three phase electric locos	Replacement of diesel locos with energy efficient and more powerful electric locos which help in reducing carbon emissions	9929	12000	9929

22	Dum Dum Airport (Jai Hind) - New Garia (Kavi Subhas) via Rajerhat Construction of Metro Railway (32 Km)	Dum Dum Airport-New Garia via Rajerhat" metro project in Kolkata will connect New Garia (Kavi Subhash) with Netaji Subhash Chandra Bose International Airport through 32.2km route. The corridor runs along by EM bypass. The project will feature 23 stations. 9.79 km stretch commissioned. It has passenger interface with suburban railway station and metro at Kavi Subhash station. This line will reduce travel time, improving urban connectivity and alleviating road traffic congestion.	1700	1791.39	1700
33	Joka - Binoy Badal Dinesh Bagh via Majerhat Construction of Metro Railway (16.72 Km) including material modification for extension from Joka-Diamond Park (Phase-I)	The metro project has 12 stations (8 elevated and 4 underground). Total length of the project is 13.935 km. The corridor runs along the busy Diamond Harbour Road from JOKA till Khiddirpore. 7.75 km stretch commissioned. It has passenger interface with suburban railway station at Majerhat and with metro at Park Street and Esplanade station. This line will reduce travel time, improving urban connectivity and alleviating road traffic congestion.	850	1208.61	850

The success and sustainability of green projects is measured using the following Metrics:

1. Number of people who use new ecological public transport
2. Number of new electric locomotives manufactured / Kilometers of rail lines commissioned
3. Annual GHG emissions avoided in tons of CO₂ emission
4. Air Quality improvement (PPM)

5. Employment generated – number of jobs created/supported
6. Number of MSMEs supported
7. Number of people with access to sustainable public transport systems

Thus under the Green Budgeting Methodologies following are already being done:

1. Sovereign Green Bond Framework established by the Department of Economic Affairs (DEA)/Ministry of Finance (MoF)
2. Economic assessment of projects by various parameter
3. Expenditure Tracking for Green Goals
4. Publishing of impact report by DEA

CHAPTER – III

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

-NIL-

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

-NIL-

CHAPTER – V

**OBSERVATIONS/RECOMMENDATIONS IN RESPECT OF WHICH FINAL REPLIES
ARE STILL AWAITED**

-NIL-

**New Delhi;
07 March, 2025**

16 Phalguna , 1946 (Saka)

DR. C.M. RAMESH
Chairperson
Standing Committee on Railways

**MINUTES OF THE TENTH SITTING OF THE STANDING COMMITTEE
ON RAILWAYS (2024-25)**

The Committee met on Friday, the 7th March, 2025 from 1100 hrs. to 1130 hrs. in Committee Room No. 2, Parliament House Annexe Extension, New Delhi.

PRESENT

Dr. C.M. Ramesh – Chairperson

MEMBERS

LOK SABHA

2. Shri Damodar Agrawal
3. Shri T.R. Baalu
4. Shri Khagen Murmu
5. Shri Sudama Prasad
6. Dr. Swami Sachidanand Hari Sakshi
7. Dr. Bhola Singh
8. Shri Gopal Jee Thakur
9. Shri Vijayakumar Alias Vijay Vasanth

RAJYA SABHA

10. Shri Subhasish Khuntia
11. Dr. K. Laxman
12. Shri Sandeep Kumar Pathak

SECRETARIAT

1. Md. Aftab Alam - Director
2. Smt. Savdha Kalia - 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 following draft Reports :-

(i) Action Taken by the Government on the Observations/ Recommendations contained in their 1st Report (18th Lok Sabha) on 'Demands for Grants (2024-25) of the Ministry of Railways'.

(ii) *****

The Committee adopted the above-mentioned Reports without any modifications.

3. The Committee authorized the Chairperson to finalize and present the Reports to the Parliament.

4. *****

The Committee then adjourned.

*** Note related to the Report**

APPENDIX

ANALYSIS OF ACTION TAKEN BY THE GOVERNMENT ON THE RECOMMENDATIONS/OBSERVATIONS CONTAINED IN THE 1ST REPORT (18TH LOK SABHA) ON "DEMANDS FOR GRANTS (2024-25) OF THE MINISTRY OF RAILWAYS"

Total number of Recommendations/Observations -	14
(i) Recommendations/Observations which have been accepted by the Government –	14
Para Nos. 1,2,3,4,5 6,7, 8,9 ,10, 11,12 ,13, 14	
Percentage of total	100%
(ii) Recommendations/Observations which the Committee do not desire to pursue in view of the Government's replies –	NIL
Para No. NIL	
Percentage of total	0%
(iii) Recommendations/Observations in respect of which replies of the Government have not been accepted by the Committee and which require reiteration –	00
Para No. NIL	
Percentage of total	0%
(iv) Recommendations/Observations in respect of which final replies are still awaited -	NIL
Para No. NIL	
Percentage of total	0%