05

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 3rd Report of the Standing Committee on Railways (Eighteenth Lok Sabha) on 'Demands for Grants (2025-26) of the Ministry of Railways']

FIFTH REPORT

LOK SABHA SECRETARIAT
NEW DELHI

AUGUST, 2025/ SHRAVAN, 1947 (SAKA)

SCR NO. 249

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Presented to Lok Sabha on 11.08.2025

Laid in Rajya Sabha on 11.08.2025

LOK SABHA SECRETARIAT
NEW DELHI

AUGUST, 2025/SHRAVAN, 1947 (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
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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

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

LOK SABHA SECRETARIAT

1.	Shri Dhiraj Kumar	-	Joint Secretary
2.	Md. Aftab Alam	-	Director
3.	Smt. Savdha Kalia	-	Deputy Secretary
4.	Shri Ram Sharan Yadav	-	Assistant Executive Officer

INTRODUCTION

I, the Chairperson, Standing Committee on Railways (2024-25), having been authorized by the Committee, present this Fifth Report on Action Taken by Government on the Observations/Recommendations of the Committee contained in their Third Report (Eighteenth Lok Sabha) on ‘’Demands for Grants (2025-26) of the Ministry of Railways”.

2. The Third Report was presented to the Lok Sabha and laid in the Rajya Sabha on 10.03.2025. The Report contained 19 Observations/Recommendations. The Ministry of Railways furnished Action Taken Notes on all the Observations/Recommendations contained in the Report on 11.07.2025.

3. The Committee considered and adopted the Draft Action Taken Report at their sitting held on 07.08.2025. 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 Third Report of the Standing Committee on Railways (Eighteenth Lok Sabha) is given in **Appendix**.

New Delhi;
07 August, 2025
16 Shravan, 1947 (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 Third Report (18th Lok Sabha) on 'Demands for Grants (2025-26) of the Ministry of Railways'.

2. The Third Report was presented to the Lok Sabha/laid in Rajya Sabha on 10th March 2025. It contained 19 Observations/ Recommendations. Replies of the Government in respect of all the Recommendations have been received and are categorized as under:-

(i) Observations/Recommendations which have been accepted by the Government:-
Rec. Para Nos. 1 to 19

Chapter-II
Total: 19
Percentage:100

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

NIL

Chapter-III
Total: 00
Percentage:00

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

NIL

Chapter-IV
Total: 00
Percentage:00

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

NIL

Chapter-V
Total: 00
Percentage: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 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. 7)

5. In their Third Report, the Committee had noted that the Operating Ratio (OR) is an effective tool to gauge the financial health and reflect the overall performance of the Railways. Operating Ratio indicates how much the Railways spend to earn a rupee and the percentage of gross working expenses to gross earnings should be as low as possible. The Committee observed that from the year 2022-23, the Railways Operating Ratio had continuously been above 98% besides showing an upward trend. For the year 2024-25, Operating Ratio was estimated to be 98.90%. The Committee observed that for 2025-26 the Railways had projected a target of 98.43% for its Operating Ratio which continues to be above 98%. Therefore, the Committee desired the Ministry of Railways to take proactive measures to improve the Operating Ratio by enhancing revenue generation and controlling working expenses. Efforts should be made to increase freight and passenger traffic revenues through innovative pricing strategies, improved service quality, and better utilization of existing assets. The Committee urged the Ministry to focus on reducing Ordinary Working Expenses by adopting cost-effective technologies, optimizing energy consumption, utilizing renewable energy for traction, diversifying non fare revenue sources while focusing on asset optimization and modernization of the railway network and streamlining operational processes.

6. In their Action Taken Note furnished to the Committee, the Ministry of Railways have stated as follows:

"Improving the operating ratio is always a priority for Railways. To improve operating ratio, Railways need to increase earnings along with measures to control expenditure. Railway has invested record capex in the last five years to enhance IR's capacity by creating New lines, Doubling, procuring/manufacturing Wagons, Coaches, Locomotives etc. The Ministry has set an ambitious target of 3000 MT of loading by 2030. The Ministry is also working to increase the share of Sundry revenue (non-fare revenue) in IR's total receipts which is around 3.8% in 2023-24. The other endeavour includes initiatives aimed at maximizing revenue receipts like expansion of commodity basket through creation of Business Development Units (BDUs) at the Ministry, Zonal and Divisional levels for better coordination for movement of bulk commodities like coal, effective and innovative marketing strategies to capture more traffic.

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 taken in Railways in order to ensure savings in the operating expenditure. Expenditure management on Railways aims at better manpower management for improving per capita productivity, 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. Due to progressive electrification of Railway tracks, more than Rs. 4700 cr. has been saved under Diesel traction in FY 2023-24 alone.

As a result, operating ratio of Railways improved to 98.43% in 2023-24 and 98.22% (provisional) in 2024-25.

Railways is committed to be self-sufficient and financially resilient by increasing earnings, reducing the Ordinary Working Expenses and proactively using technologies which are modern and cost effective".

7. The Committee note the various initiatives undertaken by the Ministry of Railways to improve the Operating Ratio, including substantial capital investment for capacity enhancement, rationalisation of passenger and freight services, expansion of the non-fare revenue base and several cost-control measures such as electrification, manpower management and adoption of modern technologies. While appreciating these efforts the Committee remain concerned that the Operating Ratio continues to be critically high and above the desirable level. This underscores the need for more focused implementation, regular and timely reviews of outcomes and the exploration of new strategic avenues for financial improvement. The Committee, therefore, recommend that the Ministry undertake a time-bound, outcome-oriented review of all initiatives aimed at improving the Operating Ratio to assess their cost-benefit effectiveness. The Committee further urge the Ministry to prepare a clear roadmap with measurable targets for each revenue generation and expenditure control strategy. Additionally, the Committee recommend that the Ministry accelerate the development of Gati Shakti Multi-Modal Cargo Terminals (GCTs), and ensure seamless last-mile connectivity to ports, industrial zones and warehouses. The Ministry should also adopt innovative marketing strategies to capture a greater share of freight traffic for railways; substantially increase sundry revenue beyond the current 3.8% by exploring new avenues particularly commercial utilization of vacant

land; fast-track the use of renewable energy sources (such as solar and wind) for both traction and non-traction energy need to reduce electricity costs and analyse the operational cost ratios and service efficiencies of global railway systems and adopting practices that are sustainable and adaptable to Indian conditions.

Recommendation (Para No. 8)

8. In their earlier Report the Committee had noted that Indian Railways has achieved significant progress in several areas, particularly in new line construction, where 925 km were completed against a target of 700 km in 2024-25, demonstrating strong performance. The Committee observed that the removal of traffic bottlenecks is a key focus area of the 2025-26 railway budget. They further noted that the throw-forward for doubling works stands at Rs. 32,000 crore. Regarding doubling projects, the Committee found that against a target of 2,900 km, only 1,134 km (39.10%) was achieved during 2024-25 (up to December 2024). While the Budget Estimate (BE) for doubling was Rs. 29,312 crore, it was revised upward at the Revised Estimate (RE) stage to Rs. 31,036.86 crore, with actual utilization reaching Rs. 22,918.57 crore (73.85% of RE) (up to December 2024). The Committee acknowledged that doubling is a long-term asset essential for improving train speeds and serving as a significant revenue multiplier. However, they observed that while the financial utilization of the budget stands at nearly 74%, the physical achievement of the target is a merely39%. The Committee desired to be apprised of the factors leading to this disparity. They urged the Railways to exercise due diligence in identifying and addressing obstacles to ensure seamless project execution. This includes streamlining land acquisition, expediting clearances, and leveraging modern construction technologies to facilitate the timely completion of doubling projects, thereby effectively reducing traffic congestion. The Committee also expected the Railways to ensure full utilization of the budget sanctioned and achievement of the physical targets set for doubling of lines in 2024-25.

9. In their Action Taken Note furnished to the Committee, the Ministry of Railways have stated as follows:

DOUBLING

Year	Target (in Kms)	Achievement (in Kms)
2024-25	2900	1977

Year	Budget Estimate (in Rs. Crore)	Revised Estimate (in Rs. Crore)	Expenditure (in Rs. Crore)	Utilization %
2024-25	29312	31036	32791	105

The actual expenditure incurred under Plan Head Doubling is more than the Budget and Revised Estimate for FY 2024-25. However, the Physical achievement is 68% of the target set for FY 2024-25 as 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 order situation 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.

10. The Committee appreciate the full utilization of the budget allocated for the doubling of railway lines. The Committee also note the Ministry's submissions that completion of any Railway project depends on several factors including timely land acquisition by State Government, forest clearances, deposition of cost share by State

Government in cost sharing projects, projects prioritization, shifting of infringing utilities, statutory clearances from various authorities, geological and topographical conditions, law and order situation at project sites and the number of workable months in a year due to climatic conditions. However, the Committee urge the Ministry to address the disparities between total expenditure incurred and the physical progress achieved in doubling railway lines, as this project is crucial for increasing capacity and removing bottlenecks in the Indian Railways network. In view of the significant progress made and the record budget allocations for infrastructure development, the Committee reiterate the need for a coordinated approach to monitor and overcome challenges in track doubling to successfully achieve the physical targets earmarked.

Recommendation (Para No. 11)

11. The Committee in their Third Report had noted that Railways has been steadily replacing conventional ICF coaches with safer and more efficient LHB coaches and producing only LHB coaches since April, 2018. The Committee also appreciated that Railways has introduced Vande Bharat Sleeper and Amrit Bharat trains with enhanced safety features and modern passenger amenities. The Committee had been apprised that after successful trials and commissioning of first prototype rakes of Vande Bharat Sleeper and Amrit Bharat 2.0, series production of these rakes will be done for which manufacturing plans are already in place. To address the persistent issue of unmet production targets for coaches and wagons, the Committee recommended that the Railways significantly increase manufacturing capacity at existing units and explore the creation of new production facilities in areas lacking them. As such the BE for production units stands at 4623 crores therefore the Committee also desire the Ministry to encourage Public-Private Partnerships (PPP) to bring in advanced coach-building technologies. The Committee also desired that enough thrust be given to investing in skill development programs and collaborating with technical institutes to train workers in modern production techniques

and automation. Though the Committee were happy to note that Railways has exported rolling stocks of the value of Rs. 608.70 crore to Mozambique and Sri Lanka during 2022-2023, the Committee desired the Railways to expand their business operation in exporting of rail components to enhance revenue without making any compromise on fulfilling of indigenous demand for rolling stock. To bolster freight operations, the Committee recommended the Railways to scale up the production of wagons and containers to meet growing logistical needs at the production units.

12. In their Action Taken Note furnished to the Committee, the Ministry of Railways have stated as follows:

"Presently, the ongoing works related to capacity augmentation of Coach and Wagon Production Units have been sanctioned at an anticipated cost of Rs. 1670.78 Crores in Indian Railways.

Skill development is a continuous process in Production Units. Production Units have been advised to conduct regular/ periodic training/ refresher course of technical staff engaged in production activities for improving the safety aspect, quality and reliability of Rolling Stock by utilizing the in-house resources as well as by roping in Industrial experts and academia.

Around 13000 staff have been provided with regular/ periodic training in the year 2024-25 till February, 2025 in Production Units of Indian Railways.

Wagon induction is a continuous process which is based on traffic load requirement as advised by Traffic Directorate on a year to year basis. Aimed at ensuring wagon availability to meet growing freight loading needs, procurement of more than 1 lakh wagons have been arranged from various private firms, PSUs and railway workshops in the past 3 years. This has been achieved through proper planning taking all rising to occasion through augmentation manufacturing facilities. Even in house manufacturing of wagons by Railway workshop and Railway PSUs have been promoted not only to manufacture wagons in urgent demand but in developing proto of new design improved

wagons. Further enhancement of wagon production by workshops and Railway controlled PSU will be taken care of to meet growing wagon demands."

13. The Committee note the initiatives undertaken by the Railways to augment the capacity of Coach and Wagon Production Units, and appreciate the ongoing efforts to impart skill development training to approximately 13,000 personnel during 2024-25. However, the Committee are of the view that investment in production capacity must be strategically aligned with the ambitious rollout of next-generation trains such as the Vande Bharat Sleeper and Amrit Bharat 2.0, as well as the increasing demand for freight transportation. The Committee, therefore, urge the Ministry to formulate a time-bound roadmap for capacity augmentation through expansion of existing facilities, establishment of new units and targeted modernisation initiatives. The Committee again emphasize the importance of developing a skilled workforce equipped to meet the technological requirements of new-generation rolling stock and the need to explore export opportunities for rolling stock and components, without compromising domestic needs. Furthermore, the Committee desire that a structured and institutionalised mechanism be put in place to synchronise production capacity with the projected growth in passenger and freight operations over the coming decade.

Recommendation (Para No. 14)

14. The Committee in their earlier report had appreciated the introduction of Joint Parcel Product – Rapid Cargo Service (JPP-RCS) as a transformative step in e-Commerce and FMCG logistics through technology-driven freight solutions. To maximize its impact for better revenue generation, the Committee desired the Railways to expand service coverage to high-demand industrial and commercial hubs, ensuring frequent and reliable operations. The Committee felt that strengthening the Virtual Aggregation Platform (VAP) with seamless integration for aggregators and India Post will further enhance efficiency. The Committee observed that upgrading parcel handling infrastructure is essential to

improve service quality and competitiveness in e-Commerce and FMCG logistics which shall help the railways expand its customer base in this segment. The Committee recommended that the Ministry of Railways consider establishing a real-time performance monitoring mechanism, adopt dynamic pricing models and foster continuous collaboration with potential logistics partners for optimum performance under the Joint Parcel Product – Rapid Cargo Service (JPP-RCS).

15. In their Action Taken Note, the Ministry of Railways have stated as follows:

"Based on the traffic potential and utilization of the existing JPP-RCS services, increase in the frequency of JPP-RCS train no. 00111/00112 (Bhivandi Road Sankrail-Bhivandi Road) from weekly to bi-weekly has been approved.

In order to expand the service coverage, more routes are being explored in consultation with stakeholders. Efforts are on to make the VAP more robust.

Under the Umbrella work 2024-25, Rs. 2,500 crores has been allocated for provision of facilities related to Parcel Shed (including Goods Shed) under the Plan Head-53. Processing and sanctioning works under this umbrella allocation is currently in its initial stages.

Performance of the JPP-RCS is regularly monitored by the Zonal Railways as well as Railway Board. Various interactive sessions are also conducted regularly with stakeholders to get their feedback and suggestions for improvement in the Policy.

Further, in order to improve utilization of the JPP-RCS services (operational on 04 routes), and to divert the traffic from road to rail, provision of discount in freight by 50% of the JP- Scale in return direction, and charging of freight at JP Scale +35% for the roundtrip have been introduced as a pilot project (effective from 01.04.2025)."

16. The Committee note the proactive measures taken by the Ministry of Railways to enhance the Joint Parcel Product – Rapid Cargo Service (JPP-RCS), including increased service frequency on select routes, pilot initiatives such as dynamic freight discounts and a substantial budgetary allocation of Rs. 2,500 crores under Plan Head-

53 for parcel handling infrastructure. The Committee also observe that the service is currently operational on four routes and that infrastructure augmentation is still in its early stages. The Committee urge the Ministry to expedite the execution of infrastructure works under the approved allocation, operationalize additional high-potential routes within a set time frame, strengthen real time performance monitoring mechanism and scale up pricing strategies based on performance outcomes. The Committee reiterate the need for early strengthening of the Virtual Aggregation Platform (VAP) to enable seamless integration with logistics partners and India Post thereby expanding the service's reach and efficiency.

Recommendation (Para No. 15)

17. The Committee in their Third Report had noted that Railways has made significant strides in material management through digitization, decentralized procurement and streamlined inventory control. The Committee also noted that while the efficiency of warehouse operations has improved with modern infrastructure and IT-driven inventory tracking (IMMS, UDM, IREPS), challenges remain in procurement via GeM. The Committee observed that surplus stock values have increased over the last three years and feel a need for more proactive disposal mechanisms. While recognizing the benefits of decentralized procurement, the Committee noted the persistent problems with GeM, specifically payment delays, bid management inefficiencies, and inadequate post-contract recovery. To enhance efficiency and for smooth material management, the Committee desired the Ministry of Railways to focus on resolving these GeM issues alongside optimizing demand forecasting, expediting surplus stock liquidation, and improving post-contract financial reconciliation.

18. In their Action Taken Note, the Ministry of Railways have stated as follows:

"Ministry of Railways regularly communicates with GeM to address issues faced by Railway buyers which is an ongoing process and is done from time to time. Recently,

vide letter dated 26.12.2024, a list of various issues were communicated to GeM covering areas such as payment processing, bid management and contracts, post contract management, tracking and consignment, system interface, policy and procedures etc. In their reply dated 08.01.2025, GeM has assured that they are developing a new system namely GeM 2.0 and resolution of these issues including demand linking, clubbing and post contract recoveries will be provided in the new system. Once the new system, GeM 2.0, is launched by GeM, feedback of buyers will once again be obtained on these issues and the same will be taken up with GeM if issues persist.

As far as surplus stock liquidation is concerned, because of significant changes in design due to technological developments, there is an increase in surplus stocks. Rules and instructions are already in place for liquidation of such surplus stock, which shall be liquidated in due course of time."

19. The Committee note the Ministry's ongoing engagement with GeM and acknowledge the planned rollout of GeM 2.0, which is expected to address key operational challenges such as payment delays, bid management and post-contract recoveries. However, the Committee observe that the resolution of existing inefficiencies remain contingent on the future implementation and subsequent evaluation of GeM 2.0, resulting in a lack of immediate relief. The Committee, therefore recommend that the Ministry establish a dedicated monitoring cell to track the progress and effectiveness of GeM 2.0 post-launch and ensure that any unresolved issues are promptly addressed. The Committee are also concerned that surplus stock is rising due to rapid technological advancements and therefore, urge the Ministry to adopt a more dynamic and time-bound approach to stock liquidation. The Ministry may consider revising relevant rules and instructions to incorporate demand forecasting, leverage predictive analytics thereby minimizing stock obsolescence and improving inventory turnover and stock liquidation.

Recommendation (Para No. 16)

20. The Committee in their earlier Report had noted that the total cost of Mumbai-Ahmedabad High-Speed Rail (MAHSR) project was estimated at Rs.1,08,000 crores and the final project cost will be ascertained only after awarding all contract packages and associated timelines. The Committee also noted that an expenditure of Rs.71,116 crores has been incurred so far on MAHSR Project as on January, 2025 and the overall physical progress stands at 48.55%, with key construction activities ongoing, including viaducts, tunnels and station buildings. The Committee further noted that the project has achieved significant progress, with 100% land acquisition completed and all civil contracts awarded. The Committee were informed that workforce training is underway, with core staff training in Japan and additional training at the High-Speed Rail Training Institute in Vadodara. Shinkansen is a specialized technology of Japan and some components under Make-in-India Policy are also being utilized. The Committee recommended the Ministry to expedite the finalization of remaining contract packages and associated works to ensure timely completion of the MAHSR Project. The Committee also desired the Ministry to address potential bottlenecks, such as delays in utility shifting and construction challenges, to avoid cost overruns and ensure the project stays on track. To support the long-term sustainability of high-speed rail operations, the Committee desired that indigenous manufacturing of Shinkansen technology components under the Make-in-India initiative be expanded. Additionally, the Ministry should prioritize the development of a skilled workforce by scaling up training programs at HSRTI Vadodara and leveraging international expertise. For upcoming HSR projects, the Committee recommended that feasibility studies be conducted, innovative financing models may be explored, and funding may be secured before sanctioning new corridors. Further, the Committee desired that the Ministry should focus on completing the MAHSR Project as a benchmark for future high-speed rail initiatives in India.

21. In their Action Taken Note, the Ministry of Railways have stated as follows:

Government of India has sanctioned 508 KM long Mumbai-Ahmedabad High Speed Rail (MAHSR) project in December, 2015 to be executed with technical and financial cooperation from Government of Japan. National High Speed Rail corporation Limited (NHSRCL) was set up with authorized share capital of ₹ 20,000 cr with share of Government of India as 50% and the two States (Gujarat & Maharashtra) 25% each.

Project shall be implemented with the provision of Japanese Yen loan to the extent of about 81% of total project cost with repayment period of 50 years and further grace period of 15 years @ interest rate of 0.1% p.a. and remaining shall be provided in terms of Equity.

The current status of MAHSR project is as under:

- 100% (i.e. 1389.49 Ha) land has been acquired for Mumbai- Ahmedabad High Speed Rail (MAHSR).
- Construction work is in progress on elevated viaducts, major river bridges, station buildings, and Tunnels.
- 383 km of pier construction, 317 km of girder casting and 286 km of girder launching have been completed.
- Work of the only tunnel in Gujarat has been completed. Out of 21 km long tunnel in Maharashtra, work of 2.7 km has been completed by New Austrian Tunnelling Method (NATM).
- The overall physical progress of the project is approx. 50.5%.
- The execution of MAHSR Project is monitored/reviewed regularly
- Bullet train project is a very complex and technology intensive project.
- Timelines for the completion of the project can be reasonably ascertained after the completion of all associated works of Civil Structures, Track, Electrical, Signalling & Telecommunication and supply of Trainsets.

22. The Committee acknowledge the substantial physical progress made in the execution of the Mumbai-Ahmedabad High-Speed Rail (MAHSR) project, including 100% land acquisition, ongoing construction of critical infrastructure and nearing 50.5% overall completion. The Committee also note the favorable long-term financial

terms under the Japanese Yen loan and the establishment of NHSRCL as the dedicated implementing agency. While appreciating the enormous scale of such an ambitious project, the Committee observe that despite significant advances, the project timeline remains uncertain due to the interdependence of multiple ongoing works. The Committee urge the Ministry to prioritize the finalization of remaining contract packages, ensure strict monitoring of inter-agency coordination and establish clear timelines to fast track completion. The Committee reiterate the importance of expanding indigenous manufacturing of Shinkansen components under the Make-in-India initiative and scaling up the skilled workforce through enhanced training programmes at HSRTI Vadodara. Furthermore, for future high-speed rail corridors, the Committee emphasize the need for robust planning including comprehensive feasibility studies and stakeholder consultations to ensure the replicability of the MAHSR as a benchmark project.

Recommendation (Para No. 18)

23. In their Third Report, the Committee noted that the plan outlay for Training and Human Resource Development (HRD) in 2025-26 has been kept at Rs. 301 crore. In 2024-25, the actual expenditure was Rs. 133.50 crore (upto December, 2024) against the Revised Estimate (RE) of Rs. 197.52 crore, while in 2023-24, the actual expenditure stood at Rs. 101.93 crore against an RE of Rs. 242 crore. Under the Rashtriya Rail Sanraksha Kosh (RRSK), the gross expenditure on Training/HRD works at the RE stage in 2024-25 was Rs. 146.96 crore, whereas the Budget Estimate (BE) for 2025-26 is Rs. 185 crore. The Committee acknowledged the ongoing training programs as essential for developing a skilled workforce to manage and maintain High-Speed Rail (HSR) operations, with specialized training already in progress in Japan. Additionally, training for other O&M staff is being conducted by the trained core O&M personnel at the High-Speed Rail Training Institute (HSRTI) in Vadodara. As the Indian Railways undergoes a critical transition phase with the adoption of new technologies, the Committee desired the Ministry

for optimum utilization of allocated funds. The Committee also desired the Ministry to equip railway personnel with up-to-date skills and knowledge and enable them to handle the complexities of modern railway operations, ensuring a competent and efficient workforce to enhance safety and operational efficiency. The Committee recommended the Railways to formulate comprehensive training programs incorporating advanced teaching methodologies and designing futuristic training modules. Furthermore, the Committee urged the Ministry to collaborate with premier training institutes in India and abroad to provide world-class training, ensuring that railway personnel are well-equipped to meet emerging challenges and technological advancements in the sector.

24. In their Action Taken Note, the Ministry of Railways have stated as follows:

"Indian Railways have an extensive network of 8 Centralised Training Institutes and 158 Other Training Institutes across the country to address training needs of approx. 12 lacs railway personnel. Upgradation/creation of training infrastructure is a continuous process. In view of rationalization of Railway Training Centres, existing railway training institutes needs to be upgraded as Multi-disciplinary Zonal/Divisional Training Institutes and there is a consistent fund demand from railways. Efforts are being made through regular interactions with zonal railways to ensure need-based fund allocation and their utmost utilisation.

During FY 2024-25, an expenditure of Rs. 140 crores was made against the revised outlay of Rs. 144 crores. For current fiscal 2025-26, an outlay of Rs. 301 crores has been kept for Training and HRD.

During 2023-24, about 5.19 lakh employees have undergone different training modules viz. initial, promotional, refresher & specialized.

Indian Railways is making significant strides in overcoming the challenges, it faces in training its workforce. By investing in modern infrastructure, adopting new learning methods like simulator training, and upskilling instructors, it is gradually overcoming limitations related to resources and skilled personnel. Simulator training enhances their

ability to respond to emergencies, improves decision-making, and provides opportunities for continual learning and improvement.

Indian Railways has also embraced e-learning techniques. This includes online training modules on iGOT Karmayogi Platfrom, which are accessible on anytime-anywhere basis, making training more accessible and flexible. To ensure the effectiveness of the training programs, the training modules are regularly updated and upgraded.

Further, as safe train operation is the top most priority of Indian Railways, special emphasis is laid on the training of safety category employees. Detailed training modules *including on Kavach system* as per prescribed periodicity are available for respective categories at initial and promotional stages along with refresher courses as well as specialized training courses, laying emphasis on practical aspects which help them in skill upgradation and assimilation with related advanced technology, keeping a focus on overall safety and passenger experience. These modules are also updated keeping in view the technological changes in working practice."

25. The Committee note the efforts made by the Ministry to strengthen the training ecosystem through an extensive network of training institutes, increased adoption of simulator-based and e-learning modules and regular upskilling of instructors. The Committee appreciate that approximately 5.19 lakh personnel underwent various training programs during 2023–24, with special emphasis on safety-related categories. However, the Committee reiterate that despite consistent fund allocation, actual expenditure in past years has fallen short of the revised estimates, indicating a need for more effective fund utilization and planning. The Committee urge the Ministry to ensure timely and optimum utilization of allocated funds under both general and RRSK heads by adopting a result-oriented monitoring framework. Additionally, the Ministry should further scale up advanced training methodologies, particularly in simulation and digital platforms, and upgrade existing institutes into Multi-disciplinary Training Centres aligned with future technological requirements. The Committee also desire that strategic collaborations be established with premier

national and international training institutions to design world-class, future-ready modules that equip railway personnel with the skills needed for modern, technology-intensive operations.

CHAPTER-II

OBSERVATIONS/RECOMMENDATIONS WHICH HAVE BEEN ACCEPTED BY THE GOVERNMENT

Recommendation (Para No. 1)

The Indian Railways ranks among the largest rail networks globally. Beyond its transportation role, Indian Railways has been a cornerstone of India's socio-economic progress and a driver of diverse economic activities. It offers an affordable travel option to people across all economic strata, particularly benefiting the economically disadvantaged, while managing a vast workforce and striving to meet customer expectations. In a populous and welfare state like India, the growth of Railways holds significance that extends beyond simple numerical or economic evaluations. The Railway Budget 2025-26 aimed at fostering comprehensive multi-modal transport planning that encompasses highways, railways and inland waterways. The Demands for grants for the year 2025–26 of the Ministry of Railways were tabled in the House on 03.02.2025. The Committee undertook a detailed scrutiny of Demands for grants (2025-26) 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 observe that the Ministry of Railways' demands for 2025-26 amount to Rs. 8,19,511.30 crores, with a significant focus on capital expenditure aimed at infrastructure development, modernization, and asset replacement. The revenue expenditure is largely driven by recurring costs, particularly Provident Fund, Pension, and Other Retirement Benefits and Operating Expenses – Traffic, highlighting the Ministry's

emphasis on employee welfare and operational efficiency. The Committee also note that a considerable portion of the budget is allocated to Repairs and Maintenance across various categories, such as Permanent Way, Motive Power, Carriages, Wagons, Plant, and Equipment, underscoring the commitment to maintaining existing infrastructure. The Committee recommend that the Ministry of Railways prioritize the efficient utilization of capital expenditure to accelerate infrastructure development, modernization, and asset replacement, ensuring timely completion of projects and avoiding cost overruns. To optimize revenue expenditure, the Committee desire the Ministry to streamline recurring costs, particularly in Operating Expenses – Traffic and Fuel, by adopting energy-efficient technologies and exploring cost-saving measures without compromising service quality. The Committee feel that addressing the growing burden of Provident Fund, Pension, and Other Retirement Benefits through long-term reforms or dedicated funding mechanisms is essential to manage future liabilities. The Committee also emphasize the need to enhance Repairs and Maintenance practices by investing in predictive and preventive maintenance technologies to improve asset lifespan and reduce long-term costs. The Committee also urge the Ministry to focus on staff welfare initiatives to boost employee morale and productivity while maintaining fiscal discipline and strategic alignment in all financial allocations.

Reply of the Government

Optimizing Revenue expenditure and enhancing repairs and maintenance activities

Indian Railways accords high priority to repairs and maintenance related activities to ensure safe operation of trains and safety of passengers. Keeping in view accelerated focus and enhancing safety, the fund provision for repairs and maintenance related activities has been increasing over the years. The repairs and maintenance related activities are part of Ordinary Working Expenses (OWE) of the Railways. OWE mainly cover expenditure under repairs and maintenance activities of railway assets, operating expenses, Fuel cost, expenditure on Staff welfare amenities, Pensionary Charges etc. It is endeavor

on part of the Railway to provide sufficient fund allocation under OWE for smooth train operation. Further, Railway is taking various steps to optimize revenue expenditure which are as under:-

- Rigorous monitoring of expenditure w.r.t. the monthly budget proportions based on Spending Limits.
- Implementation of the guidelines on expenditure control & management circulated by the Ministry of Finance on the Railways also.
- Optimizing expenditure in areas such as contractual payment, overtime allowance, purchase of material etc.
- Progressive electrification and reduction in expenditure under HSD oil, optimizing the fuel consumption, Energy Audit, etc.
- Improvement in inventory management
- Prioritization of expenditure on works for better use of available resources.
- Better asset utilization.
- Improving staff productivity by better man-power planning

Energy efficient technologies

Indian Railways is moving towards technological advancement, resulting in various initiatives to achieve energy efficiency which includes range of energy efficient technologies like switching over to production of three phase electric locomotives, EMU etc. with regenerative features, use of head on generation (HOG) technology, use of LED lights in building & coaches and use of star rated appliances etc.

Efficient utilization of CAPEX

MOR has a multilayered procedure for efficient utilization of Capital expenditure. The focus of the Government is on expeditious completion of projects so that their benefits are reaped at the earliest. Projects related to capacity augmentation are one of the important priority areas of CAPEX. These relate to construction of New Lines, Doubling/Tripling/Multi tracking of railway lines, and electrification projects. For sanctioning works under this category, a corridor based approach has been devised under the PM Gati Shakti - National Master Plan for Multi-modal Connectivity. These pertain to

High Density Network route, Energy Corridor, Port Connectivity, Hilly Area & Border Area Corridors etc. Projects under the specific corridors are being sanctioned keeping in view their specific requirement.

- Focus will also be on fast execution of safety related works of Track Renewal, Bridges and Signalling & Telecommunication, including development and installation of advanced technology like Kavach. Rashtriya Rail Sanraksha Kosh (RRSK), a dedicated fund to cater to safety related works, has been introduced by Government of India since 2017-18 to ensure earmarked funding of such projects.
- Modernisation of rolling stock is another important focus area for IR. Latest technology trainsets like semi-high speed Vande Bharat, Vande Bharat Sleeper trains, Amrit Bharat Trains, Namo Bharat Rapid Rail etc. are being manufactured by Indian Railways under Rolling Stock Programme.
- Fund provision for works under Customer Amenities is also likely to witness substantial allocation to cater to many works of redevelopment of stations under Amrit Bharat Stations Scheme.
- Adequate funds are also to be provided for works relating to Staff Welfare & Training.
- Funds will also be allocated for IT projects under Computerisation and Railway Research.

Pension & other retirement benefits

As regard to Pension & other retirement benefits is concerned, Ministry of Railway is the only Ministry which bears its pension liability from its own revenue receipts. Sufficient appropriation under Pension Fund for meeting the pension liabilities is being made. Further, Ministry of Railways is an administrative Ministry on pensionary matter and follows the policy/instructions of the Nodal Department on pensionary matters i.e. Department of Pension and Pensioners' Welfare.

Staff Welfare and amenities

Staff Welfare and amenities is also accorded high priority. Under Staff Welfare and amenities, an amount of Rs. 10,968 cr under Revenue Section and Rs.833 cr under Capital Section is provided in Budget Estimates 2025-26. Under capacity building programme, an amount of Rs.301 cr for Training/Human Resource Development under Capital Section is provided in Budget Estimates 2025-26. Further, Indian Railways runs and manages 68 Railway Schools, besides one Degree College at Lallaguda, Secunderabad. These Schools are being operated purely as a staff welfare measure and provide quality education at subsidized cost to wards of Railway employees as well as non-Railway wards. In addition to this, 93 Kendriya Vidyalayas are also functional in Railway premises catering to the educational needs of students residing in the vicinity of these schools.

Indian Railways is unquestionably the largest civil employer in the country. As on March 31, 2024, IR has a workforce of 12,52,180 employees out of which 99,809 are women employees. A wide range of women oriented welfare measures including regular conduct of Seminars, Camps and Training Programmes with specific financial assistance from Staff Benefit Fund (SBF) have been undertaken on Indian Railways. A number of Crèches, Changing Rooms, Tiffin Rooms and Separate Rest Rooms have been made available at workplaces/offices for the children and Women employees. SBF Committee has a policy of rewarding meritorious women employees by giving Cash Award during celebration of International Women's Day at Headquarters as well as in Divisions of Zonal Railways. In addition, Handicraft Centres are being operated to impart vocational skills like stitching, weaving, beauty culture and making stationary items etc., as welfare measure for female members of Railway employees' families with a view to help them get wider career opportunities or self-employment. A specific outlay of Rs. 3.26 Crore was earmarked for 'Women Empowerment Activities' under SBF in the Budget for financial year 2023-24.

Recommendation (Para No. 3)

The Committee note that the Ministry has set the Annual Plan for the year 2025-26 at Rs. 2,65,200 crore which remains the same as that in the previous financial year 2024-

25. This includes Rs. 2,52,200 crore as Gross Budgetary Support (GBS), comprising Rs.200 crore for the Nirbhaya Fund and Rs. 10,000 crore under the Rashtriya Rail Sanraksha Kosh (RRSK). Internal Resources contribute Rs. 3000 crore including Rs.1000 crore Railway's contribution for RRSK, while Rs. 10,000 crore comes from Extra Budgetary Resources (EBR). The Committee also note that the thrust of the Annual Plan 2025-26 continues to be on removal of traffic bottlenecks, safety enhancement works and improvement of customer amenities and for this purpose, the plan heads New lines (Rs.32235 crore), doubling (Rs.32000 crore), track renewals (Rs.22800 crore), safety works of Level Crossings (Rs.706 crore), Road Over/Under Bridges (Rs.7000 crore), signal and telecom (Rs.6800 crore) and customer amenities (Rs.12118 crore) have been allotted funds under Budgetary Sources in BE 2025-26. The Committee stress the importance of ensuring efficient utilization of the budget through a well-planned strategy prioritizing capacity expansion and safety enhancement. The Committee are of the view that the thrust areas should also remain technological advancements and execution of automatic train protection systems. The Committee urge the Ministry to continue with its focus on safety investments, particularly under the Rashtriya Rail Sanraksha Kosh (RRSK), track renewals, level crossings, signal modernization, enhancing station infrastructure and passenger experience. The Committee expect full utilization of the budget allocation made in 2024-25 which stands at 83% as on 31.01.2025 and desire the Ministry for timely execution of projects to prevent cost overruns.

Reply of the Government

As Against allocated Gross Budgetary support of Rs. 2,52,000 crore in 2024-25, an expenditure of Rs. 2,52,221 crore (100.09%) has been incurred. Thus, the budget allocation has been fully utilized.

Annual Plan is compiled by the Planning Directorate in coordination with concerned executive directorates and is forwarded to Budget Directorate for finalization. Annual plan takes into consideration all priority areas like safety, capacity augmentation, customer

amenities etc. After the budget is finalized, its utilization is carried out by respective executive directorates. Based on the utilization, Revised Estimate (RE) is prepared by the Budget Directorate in coordination with executive directorates. Monthly Capital Expenditure (Capex) reports are used for monitoring of budget utilization.

Recommendation (Para No. 4)

The Committee observe that the trend from previous years shows that the Ministry has not been able to generate enough internal resources as for 2022-23, actual internal resource generation was Rs. 3400 crore against Rs. 4300 crore at RE (2022-23); further, for the year 2023-24, actual internal resource generation was Rs. 2943 crore against Rs. 3000 crore at RE (2023-24). Similarly, in 2024-25, actual is Rs. 767 crore (till 31.01.2025) against RE of Rs. 3000 crore. In the year 2025-26, internal resource generation has been targeted Rs. 3000 crore at BE stage. The internal resource generation has shown a downward trajectory since 2022-23. The Committee understand that low generation of revenue from Internal Resources gradually compels Railway to depend more on either Budgetary Support or Extra Budgetary Support in the form of borrowings, further compelling them to bear extra interest liability. In view of the same, the Committee would urge the Ministry to explore and review all possible areas where resources can be mobilized with a view to increase their internal resources and ensure gradual reduction of dependence on Gross Budget Allocation/EBR to the extent possible. The Committee stress that the Ministry should prioritise completion and commissioning of remunerative projects, besides exploring other commercially viable avenues that would not put the Railways under financial duress. The Committee expect hike in internal resource generation through the steps initiated by Railways to improve non-fare earnings *viz*. commercial development of vacant land and monetization of railway assets. The Committee desire the Railways to implement the measures enumerated to the Committee with unwavering commitment and strive to generate revenue from internal resources thereby fostering a more self-sufficient and financially resilient railway system.

Reply of the Government

In 2022-23, Railways internal resource was Rs. 3217 cr. which grew to Rs. 4060 cr. in 2023-24. In RE 2024-25, Ministry targeted internal resource of Rs. 2141 cr. after meeting additional expenditure of Rs. 1358.69 cr. on account of interest payment of loan taken due to Covid related resource gap in 2020-21. As per the prelims estimates, internal resource in 2024-25 will be higher than that estimated at RE stage and as per provisional figures it will be Rs. 3142 cr. For the next FY 2025-26, the Ministry set an ambitious target of Rs. 4541 cr. from internal resources to supplement Capex.

Though internal resources are increasing year-on-year in post Covid period, it remains inadequate for Capex requirement of IR which is being met largely from GBS.

Railways are making efforts to enhance internal resource generation to supplement capex. In this direction, Railway is taking steps to increase earnings along with measures to control expenditure. Railway has invested record capex in the last five years to enhance IR's capacity by creating New lines, Doubling, procuring/manufacturing Wagons, Coaches, Locomotives etc. The Ministry has set an ambitious target of 3000 MT of loading by 2030. The Ministry is also working to increase the share of Sundry revenue (non-fare revenue) in IR's total receipts which is around 3.8% in 2023-24. Other endeavours include initiatives aimed at maximizing revenue receipts like expansion of commodity basket, Creation of Business Development Units (BDUs) at the Ministry, Zonal and Divisional levels for better coordination for movement of bulk commodities like coal, effective and innovative marketing strategies to capture more traffic.

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 taken in Railways in order to ensure savings in the operating expenditure. Expenditure management on Railways aims at better manpower management for improving per capita productivity, 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. Due to progressive electrification of Railway tracks more than Rs. 4700 cr. has been saved under Diesel traction in FY 2023-24 alone.

Due to the combined effects, internal resource generation in 2024-25 is more than that in RE 2024-25. Railways is committed to achieve the target set for FY 2025-26 through the measures enumerated to the Committee and thereby achieve the target of 3000 MT of loading by 2030 making Railway self-sufficient and financially independent.

Recommendation (Para No. 5)

The Committee note that railway projects are highly capital intensive which require huge allocation from GBS for execution. Since internal revenue generation has shown a static/downward trend over the years Indian Railways have no option but to resort to EBR to fund their projects. The Committee understand that Indian Railway has not resorted to borrowings under EBR to save on lease charges and that the investment through GBS will

allow Railway to augment capacity without increasing its repayment liabilities. The Committee desire ensuring of optimum utilization of the GBS with strict fiscal discipline to ensure Railways become financially sustainable. The Committee note that during 2025-26, the Ministry has not resorted to borrowing for financing of key segments such as rolling stock acquisition. The Committee also note that during the past years the EBR(P) financing has shown downward/static trend. The Committee desire that the Ministry may continue using market borrowing judiciously while ensuring that the absence of EBR support does not hinder the funding of critical and strategic projects, including the expansion and development of railway infrastructure. They recommend the Ministry of Railways to explore the option of supplementing GBS with market borrowing by leveraging private sector expertise. This can be achieved by streamlining regulatory processes to develop and operate railway infrastructure, which will help in the advancement, modernization, and faster implementation of railway projects.

Reply of the Government

Indian Railways has traditionally been financed through GBS and Internal Resources. In addition, IR have been raising Extra budgetary resources by: (i) borrowings through Indian Railway Finance Corporation (IRFC) since its inception in 1987 to finance procurement of rolling stock assets, (ii) borrowings in the form institutional finance from 2015-16 primarily for financing viable projects of Doubling and Electrification and (iii) public-private partnership, joint ventures, and purchase of equity and bonds by private sector. Extra budgetary resources funded more than 50% of capital expenditure between 2017-18 and 2020-21. This reliance has increased debt servicing obligation of Railways which is crowding out the space for productive expenditure. As Government of India started enhancing GBS allocation to MoR w.e.f. FY 2021-22, MoR reviewed its financing pattern of the projects/RSP and decided to do away with investing borrowed funds in projects. With this decision, MoR is able to divert the savings achieved on leasing charges

to finance various projects. However, suggestion of the Committee is noted for compliance in case of future necessities.

Recommendation (Para No. 6)

The Committee observe that the net earnings of Railways have remained marginal in the financial years 2022–23 and 2023–24. For 2024–25, BE was Rs. 2800 crore which has been revised downward to Rs. 1341.31 crore. Whereas, for 2025-26, the projected net revenue stands at Rs. 3041.31. A key factor contributing to this scenario is the subdued income from the passenger sector. The budget projections for the year 2025-26 indicate passenger revenue at Rs. 92,800 crores, significantly lower than the estimated freight revenue of Rs. 1,88,000 crores. The Committee recognize the need for Railways to enhance its financial sustainability while continuing to provide efficient and affordable services. To achieve this, the Committee desire the Ministry to explore alternative avenues to boost passenger revenues by including service-based revenue generation, improved onboard amenities thereby increasing of passenger base by allowing passenger transition from road and air transport to more sustainable railway alternatives. Additionally, the Committee stress the importance of a detailed evaluation of operational expenditures linked to passenger services and a strategic improvised approach to cost optimization through efficiency improvement, technology integration and better asset utilization to maintain affordability while strengthening overall financial viability. The Committee also iterate the need for expansion of commodity basket of railways beyond the conventional in wake of record capex investment to enhance IR's capacity by creating New lines, Doubling, procuring/manufacturing Wagons, Coaches, Locomotives etc. for a robust revenue generation. It is pertinent that more freight cargo is attracted by improving connectivity with ports and industrial hubs.

Reply of the Government

In the post Covid period, revenues from passenger segment is increasing year-on-year. In 2024-25, passenger revenue was Rs. 75,367.52 cr. (provisional) which was Rs. 70,693.33 cr. in 2023-24 and Rs.63,416.85 cr. in 2022-23. For next FY 2025-26, Railways has targeted a passenger revenue of Rs. 92800 cr. based on 7573.56 million passengers and 1311 billion passenger KMs.

To increase the Net Revenue, the Ministry is taking steps to increase the traffic revenue and on the other hand optimise its operational expenditure. The endeavours include initiatives aimed at maximizing revenue receipts like expansion of commodity basket through creation of Business Development Units (BDUs) at the Ministry, Zonal and Divisional levels for better coordination for movement of bulk commodities like coal, effective and innovative marketing strategies to capture more traffic. Railway has invested record capex to enhance IR's capacity by creating New lines, Doubling, procuring/manufacturing Wagons, Coaches, Locomotives etc.

To enhance passenger revenue with a view to ensuring optimum utilisation of available accommodation, various initiatives like running of special 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. To cater to the need of passengers, special trains are run during Diwali, Chhath, Holi, Summer and Holiday season.

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 taken in Railways in order to ensure savings in the operating expenditure. Expenditure management on Railways aims at better manpower management for improving per capita productivity, 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. Due to progressive electrification of Railway tracks more than Rs. 4700 cr. has been saved under Diesel traction in FY 2023-24 alone.

To attract more freight Cargo the Ministry is working on 3 Economic Railway Corridors- Energy, Mineral and Cement corridors (192 Projects); Port connectivity corridors (42 Projects) and High Traffic Density corridors (200 Projects) for enabling Multi-Modal connectivity. Through these 3 corridors, about 40,000 Km of new track will be laid in next 8-10 years which will increase the Railways freight loading and will also be beneficial for the country.

Recommendation (Para No. 7)

The Operating Ratio (OR) is an effective tool to gauge the financial health and reflect the overall performance of the Railways. Operating Ratio indicates how much the Railways spend to earn a rupee and the percentage of gross working expenses to gross earnings should be as low as possible. The Committee observe that from the year 2022-23, the Railways Operating Ratio has continuously been above 98% besides showing an upward trend. For the year 2024-25, Operating Ratio is estimated to be 98.90%. The Committee observe that for 2025-26 the Railways have projected a target of 98.43% for its Operating Ratio which continues to be above 98%. Therefore, the Committee desire the Ministry of Railways to take proactive measures to improve the Operating Ratio by enhancing revenue generation and controlling working expenses. Efforts should be made to increase freight and passenger traffic revenues through innovative pricing strategies, improved service quality, and better utilization of existing assets. The Ministry should also

focus on reducing Ordinary Working Expenses by adopting cost-effective technologies, optimizing energy consumption, utilizing renewable energy for traction, diversifying non fare revenue sources while focusing on asset optimization and modernization of the railway network and streamlining operational processes.

Reply of the Government

Improving the operating ratio is always a priority for Railways. To improve operating ratio, Railways need to increase earnings along with measures to control expenditure. Railway has invested record capex in the last five years to enhance IR's capacity by creating New lines, Doubling, procuring/manufacturing Wagons, Coaches, Locomotives etc. The Ministry has set an ambitious target of 3000 MT of loading by 2030. The Ministry is also working to increase the share of Sundry revenue (non-fare revenue) in IR's total receipts which is around 3.8% in 2023-24. The other endeavour includes initiatives aimed at maximizing revenue receipts like expansion of commodity basket through creation of Business Development Units (BDUs) at the Ministry, Zonal and Divisional levels for better coordination for movement of bulk commodities like coal, effective and innovative marketing strategies to capture more traffic.

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 taken in Railways in order to ensure savings in the operating expenditure. Expenditure management on Railways aims at better manpower management for improving per capita productivity, 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. Due to progressive electrification of Railway tracks, more than Rs. 4700 cr. has been saved under Diesel traction in FY 2023-24 alone.

As a result, operating ratio of Railways improved to 98.43% in 2023-24 and 98.22% (provisional) in 2024-25.

Railways is committed to be self-sufficient and financially resilient by increasing earnings, reducing the Ordinary Working Expenses and proactively using technologies which are modern and cost effective.

Comments of the Committee

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

Recommendation (Para No. 8)

The Committee note that Indian Railways has achieved significant progress in several areas, particularly in new line construction, where 925 km were completed against a target of 700 km in 2024-25, demonstrating strong performance. The Committee observe that the removal of traffic bottlenecks is a key focus area of the 2025-26 railway budget. They further note that the throw-forward for doubling works stands at Rs. 32,000 crore. Regarding doubling projects, the Committee find that against a target of 2,900 km, only 1,134 km (39.10%) was achieved during 2024-25 (up to December 2024). While the Budget Estimate (BE) for doubling was Rs. 29,312 crore, it was revised upward at the Revised Estimate (RE) stage to Rs. 31,036.86 crore, with actual utilization reaching Rs. 22,918.57 crore (73.85% of RE) (up to December 2024). The Committee acknowledge that doubling is a long-term asset essential for improving train speeds and serving as a

significant revenue multiplier. However, they observe that while the financial utilization of the budget stands at nearly 74%, the physical achievement of the target is a merely 39%. The Committee would like to be apprised of the factors leading to this disparity. They urge the Railways to exercise due diligence in identifying and addressing obstacles to ensure seamless project execution. This includes streamlining land acquisition, expediting clearances, and leveraging modern construction technologies to facilitate the timely completion of doubling projects, thereby effectively reducing traffic congestion. The Committee also expect the Railways to ensure full utilization of the budget sanctioned and achievement of the physical targets set for doubling of lines in 2024-25.

Reply of the Government

DOUBLING

Year	Target (in Kms)	Achievement(in Kms)
2024-25	2900	1977

Year	Budget Estimate (in Rs. Crore)	Revised Estimate (in Rs. Crore)	Expenditure (in Rs. Crore)	Utilization %
2024-25	29312	31036	32791	105

The actual expenditure incurred under Plan Head Doubling is more than the Budget and Revised Estimate for FY 2024-25. However, the Physical achievement is 68% of the target set for FY 2024-25 as 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 order situation 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.

Comments of the Committee

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

Recommendation (Para No. 9)

The Committee note that Rashtriya Rail Sanraksha Kosh (RRSK) was introduced in 2017-18 with a corpus of Rs. 1 lakh crore and an annual outlay of Rs. 20,000 crore. The projects taken up under this fund relate to Track Renewal, Bridges, Signalling, Rolling Stock and Training & Amenities for safety critical staff. The Government extended RRSK for another five-year term beyond 2021-22, with Rs. 45,000 crore from Gross Budgetary Support (GBS). The Committee also note that Gross Budgetary Resource contribution for RRSK has been kept as Rs.10,000 crore and in addition to this Railway's contribution for RRSK has been kept as Rs.1000 crore. The Committee observe that the extension of the period of RRSK and the GBS should be best utilized to strike a balanced approach to improve training and human resource development, ensure renewal, replacement and upgradation of critical safety assets. The Committee desire the Ministry to establish yearly targets and strict timelines for optimum performance-based disbursement of funds to ensure timely execution and output oriented approach for best utilization of the extended period and budget grant under RRSK.

Reply of the Government

The Budget allocation under RRSK is based on the projections made by the concerned executive directorates and field units. These projections are made by field units considering the fund requirements for training, renewal, replacement and upgradation of

critical safety assets. RRSK funds are utilized mainly for execution of works under plan heads Traffic Facilities, Road Over/Under Bridges, Track Renewal, Bridge Works, Signalling & Telecom Works etc, including procurement of Rolling Stock.

A document of 'Output-Outcome Framework' is prepared based on inputs received from the custodian directorates of various plan heads, which includes target-based indicators for both Output and Outcome. These are set by the concerned executive directorates.

Recommendation (Para No. 10)

The Committee note that safety works related to Level Crossings (LCs) and Road Over/Under Bridges (ROBs/RUBs) are key focus areas in the Annual Plan for 2025-26, with allocations of Rs. 706 crore and Rs. 7,000 crore, respectively. During 2024-25, Rs. 710 crore was allocated at the Revised Estimate (RE) stage for LC safety works, but only Rs. 476 crore was utilized as of January 2025. Similarly, for ROBs/RUBs, the Budget Estimate (BE) of Rs. 9,275 crore was revised downward to Rs. 7,474 crore at the RE stage, with actual utilization standing at Rs. 5,338 crore (till January 2025). The Committee observe that the Railways have consistently fallen short of achieving their physical targets for the closure of manned level crossings since 2021-22, highlighting the need for focused attention in this area.

Emphasizing the importance of full utilization of allocated funds and adherence to physical targets, the Committee acknowledge the numerous challenges faced by the Railways in constructing ROBs and RUBs. These challenges include land acquisition, shifting of public utilities, design-related issues, and resistance from local populations. The Committee stress that addressing these obstacles is crucial for the timely completion of these critical safety projects. Additionally, the Committee note that despite the construction of ROBs, many level crossings remain operational due to difficulties faced by the pedestrians in covering long distances on foot to use ROBs, leading them to continue using level crossings despite safety risks.

The Committee also observe that persistent issue of waterlogging in RUBs, causes significant inconvenience to the public. They recommend the early adoption of Condition-Based Maintenance or Predictive Maintenance systems, replacing the current Time-Based Maintenance approach. To mitigate waterlogging, the Committee urge the Railways to allocate sufficient budgetary provisions for structural improvements, including adjusting bridge heights, incorporating advanced technology, and implementing efficient drainage systems, alongside regular maintenance.

Furthermore, the Committee observe that the absence of an effective grievance redressal mechanism exacerbates these issues, leaving local residents with unresolved concerns. Challenges such as inadequate approaching roads and traffic congestion near railway stations further compound the difficulties faced by commuters and residents. To address these issues, the Committee recommend that the Railways actively involve people's representatives and local authorities in identifying and resolving problems related to ROBs and RUBs. Their input can serve as a bridge between the Railways and affected communities, ensuring that solutions are practical and inclusive. The Committee also urge the Railways to establish a robust grievance redressal mechanism to effectively address the concerns of local populations.

Reply of the Government

Elimination of level crossings (LCs) is an ongoing process and done by providing ROBs/RUBs in lieu of LCs or through direct closure (for low traffic LCs) or by diversion of road traffic to nearby ROB/RUB/ LC.

Earlier, elimination of Manned Level Crossings was by Diversion Road/ Merger & Closure had a major role, however, now, the elimination process consists mainly by construction of Road over Bridges/Road under Bridges (ROBs/ RUBs). Basically, easy sites for LC elimination (due to low TVU or lower demand) have been mostly identified

and eliminated in last few years. Most of the remaining LCs are having site specific issues which needs more detailed study and major works (ROB cum LHS etc.) for elimination.

Further, Completion & commissioning of ROB/RUB works depends on various factors like cooperation of State Governments in giving 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, duration of working season in a year for the particular project/area due to climatic conditions etc. All these factors affect the completion time of the projects/works.

Further, it is to be noted that the Ministry has set an ambitious target for construction of ROBs/ RUBs since last few years to improve the safety of and mobility of road users/ trains, which is evident from the progress of ROB/ RUB works. During 2024-25, total 1263 nos. ROBs/ RUBs were constructed which is 17.16 % higher than ROBs/RUBs constructed during 2023-24.

Additionally, railway has revised policy for sanction of works and faster execution to eliminate LCs at fast pace. New policy letters dated 2.3.23 & 19.08.2024 also facilitate the charging cost of land acquisition involving private land, R&R and utility shifting required for construction of ROB/RUB to estimate of ROB/RUBs works sanctioned on 100% cost of Railway.

These revised policies also facilitate the sanction of additional works for rectification, improvement and up gradation in already complete works including making good the deficiency. Additional works may include such as providing additional ROB/ LHS/ FOB/ Ramp/ Subway where ROB/ RUB has been commissioned. Additional works for RUBs may include solution for water-logging and other functional problems.

In light of revised policy, no. of additional works is being planned/ sanctioned to facilitate road users, and to attend the already constructed subway for prevention of water-logging.

The grievance redressal is a continuous & dynamic process. All the grievances regarding LCs/ROBs/RUBs/water-logging in RUBs and subways as received are examined and necessary action based on the site condition is taken.

Further, to involve people's representatives and local authorities in identifying and resolving problems related to ROBs and RUBs, a policy letter has been issued wherein, it has been decided that while preparing the Technical Feasibility Report/ DPR, the representation from elected representatives if any, may also be considered for better appreciation of ground conditions.

Recommendation (Para No. 11)

The Committee note that Railways has been steadily replacing conventional ICF coaches with safer and more efficient LHB coaches and producing only LHB coaches since April, 2018. The Committee also appreciate that Railways has introduced Vande Bharat Sleeper and Amrit Bharat trains with enhanced safety features and modern passenger amenities. The Committee has been apprised that after successful trials and commissioning of first prototype rakes of Vande Bharat Sleeper and Amrit Bharat 2.0, series production of these rakes will be done for which manufacturing plans are already in place. To address the persistent issue of unmet production targets for coaches and wagons, the Committee recommend that the Railways significantly increase manufacturing capacity at existing units and explore the creation of new production facilities in areas lacking them. As such the BE for production units stands at 4623 crores therefore the Committee also desire the Ministry to encourage Public-Private Partnerships (PPP) to bring in advanced coach-building technologies. The Committee desire that enough thrust be given to investing in skill development programs and collaborating with technical institutes to train workers in modern production techniques and automation. Though the Committee are happy to note that Railways has exported rolling stocks of the value of Rs. 608.70 crore to Mozambique and Sri Lanka during 2022-2023, the Committee desire the Railways to expand their business operation in exporting of rail components to enhance revenue without making any

compromise on fulfilling of indigenous demand for rolling stock. To bolster freight operations, the Committee recommend the Railways to scale up the production of wagons and containers to meet growing logistical needs at the production units.

Reply of the Government

Presently, the ongoing works related to capacity augmentation of Coach and Wagon Production Units have been sanctioned at an anticipated cost of Rs. 1670.78 Crores in Indian Railways.

Skill development is a continuous process in Production Units. Production Units have been advised to conduct regular/ periodic training/ refresher course of technical staff engaged in production activities for improving the safety aspect, quality and reliability of Rolling Stock by utilizing the in-house resources as well as by roping in Industrial experts and academia.

Around 13000 staff have been provided with regular/ periodic training in the year 2024-25 till February, 2025 in Production Units of Indian Railways.

Wagon induction is a continuous process which is based on traffic load requirement as advised by Traffic Directorate on a year to year basis. Aimed at ensuring wagon availability to meet growing freight loading needs, procurement of more than 1 lakh wagons have been arranged from various private firms, PSUs and railway workshops in the past 3 years. This has been achieved through proper planning taking all rising to occasion through augmentation manufacturing facilities. Even in house manufacturing of wagons by Railway workshop and Railway PSUs have been promoted not only to manufacture wagons in urgent demand but in developing proto of new design improved wagons. Further enhancement of wagon production by workshops and Railway controlled PSU will be taken care of to meet growing wagon demands.

Comments of the Committee

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

Recommendation (Para No. 12)

The Committee note that presently, the stations over Indian Railways are being developed under Amrit Bharat Station Scheme. This scheme envisages development of stations on a continuous basis with a long-term approach and involves preparation of master plans and their implementation in phases to improve the amenities at the stations. The Committee further note that 1337 stations have been identified for development under this scheme and out of these, tenders for development works have been awarded and works are in progress at 1202 stations. The Committee are aware that the redevelopment of railway stations is complex, involving passenger and train safety and requiring various statutory clearances from urban/local bodies and these factors affect the completion time, and therefore, no specific timeframe has been indicated. The Committee also note that Rani Kamlapati station in the state of Madhya Pradesh has been developed under Public Private Partnership (PPP) Model and 15 railway stations are also being explored for development on PPP Mode. The Committee also note that against the target of 453 stations during 2024-25, only one station could be upgraded till December, 2024. Therefore, the Committee desire the Ministry to establish a dedicated task force to oversee project timelines, ensuring regular communication between contractors, local authorities and railway officials to address potential bottlenecks promptly. The Committee also desire the railways to engage with local representatives and concerned State Government early in the planning process to secure necessary clearances and foster a collaborative environment, reducing bureaucratic delays. The Committee urge the Ministry to evaluate the success of stations developed under the PPP model, like Rani Kamalapati Railway Station, to identify best practices and potential scalability of the same to other stations while attracting private investment and expertise. The Committee further recommend that the redevelopment of stations under the scheme focus on improving crowd management to prevent any untoward incidents. This should include the provision of multiple and adequately spacious entry/exit

points, well-positioned security checkpoints, proper lighting, and clear signage. Railways should also ensure sufficient deployment of personnel to maintain smooth and efficient passenger movement, enhancing both safety and convenience.

Reply of the Government

Ministry of Railway launched Amrit Bharat Station Scheme for the redevelopment of stations. This scheme envisages development of stations on a continuous basis with a long-term approach. It involves preparation of master plans and their implementation in phases to improve the amenities at the stations like improvement of station access, circulating areas, waiting halls, toilets, lift/escalators as necessary, platform surfacing and cover over platform, cleanliness, free Wi-Fi, kiosks for local products through schemes like 'One Station One Product', better passenger information systems, executive lounges, nominated spaces for business meetings, landscaping, etc. keeping in view the necessity at each station. The scheme also envisages improvement of building, integrating the station with both sides of the city, multimodal integration, amenities for Divyangjans, sustainable and environment friendly solutions, provision of ballastless tracks, etc. as per necessity, besides phasing, feasibility and creation of city centre at the station in the long term.

So far, 1337 stations have been identified under this Scheme, out of which first phase work has been completed at 105 stations, while work is in progress at 1109 stations.

Upgradation/development of railway stations is complex in nature involving safety of passengers & trains and requires various statutory clearances such as fire clearance, heritage, tree cutting, airport clearance, etc. The progress also gets affected due to brownfield related challenges such as shifting of utilities (involving water/sewage lines, optical fibre cables, gas pipe lines, power/signal cables, etc.), infringements, operation of trains without hindering passenger movement, speed restrictions due to works carried out in close proximity of tracks and high voltage power lines, etc. and these factors affect the completion time. Therefore, no time frame can be indicated for stations under this Scheme.

A robust system of reporting of progress achieved and identifying bottlenecks affecting timely delivery and execution of project is already in place. Monitoring of works is done through dedicated portal of Indian Railway Project Sanction and Management (IRPSM) and capturing issues faced by Zonal Railways through their letters, monthly reports, meetings etc. for prompt disposal including requisite approvals. Further, regular communications including coordination issues with different stakeholders are being done at Zonal/Divisional level through review/co-ordination meetings, Video Conferences (VCs) and periodical site inspections etc.

Identification of Railway stations for inclusion under Amrit Bharat Station Scheme, involves deliberations at Divisional level, Zonal headquarter level and finally at Railway Board level in the Ministry of Railways. The process also involves appropriate consultations with stakeholders and various inputs received from general public, local bodies, State Government and public representatives are suitably incorporated in the planning as per feasibility, requirement etc.

Rani Kamalapati Railway station was developed under Public Private Partnership (PPP) mode and commissioned in 2021 and is working satisfactorily. Based on the experience gained from the redevelopment of Rani Kamalapati Railway Station on PPP mode, Ministry of Railways has identified 15 Nos. railway stations located in major cities/towns for exploring redevelopment under PPP mode. Further, the proposal for redevelopment of Vijayawada railway station through PPP mode has been submitted for appraisal of Public Private Partnership Appraisal Committee (PPPAC). The other Railway stations are being redeveloped based on the surrounding growth.

Master plans for stations under this scheme are generally developed with the help of experts like architects/traffic planners/experienced consultants etc. for station approaches improvement through Metro, RRTS, BRTS, ropeways, waterways etc. to ensure smooth access by widening of roads, removal of unwanted structures, properly designed visible signages, dedicated pedestrian pathways, well planned parking areas, improved lighting etc. with necessary liaison with concerned local authorities. All these

are being well taken care of for improved crowd management through multiple adequately spacious entry/exit points, well positioned checkpoints with proper lighting and clear signage.

Railway is dedicated for ensuring safe and convenient passenger experience so as to maintain smooth and efficient passenger movement by way of standard signages/display boards including train indicator boards and coach guidance systems/boards with good visibility and public announcement system.

Recommendation (Para No. 13)

The Committee observe that freight remains the backbone of Indian Railways, contributing nearly 65% of its revenue. The Committee note that Coal, Iron Ore and Cement constitute more than 60% of freight loading and revenue generation through freight operation. The Committee are aware that Railways is pursuing the goal of enhancing modal share of Railways in the non-bulk and non-conventional commodities. The Committee feel the urgent need to improve average speed of freight trains which has been 25 km/h during 2023-24. To enhance freight traffic, the Committee recommend a commercially viable, market-driven approach, with a focus on diversification beyond bulk commodities. Additionally, the Committee stress the need for prioritizing Dedicated Freight Corridors (DFCs) development and usage to ease congestion on high-density routes and improve freight efficiency. The Committee recommend the Railways to introduce a freight service model, similar to the passenger segment, offering varied options based on cost, speed and service levels. This may include high-speed and time-sensitive cargo transport with assured delivery timelines for high-value goods, regular freight operations with competitive pricing for bulk and general cargo, cost-effective and slower transit options for price-sensitive customers etc. By providing flexible freight solutions, customers can choose services based on urgency, cost considerations and logistic needs. Also, integrating digital tracking, seamless multimodal connectivity and value-added

services like doorstep delivery will enhance competitiveness and attract more freight traffic for railways.

Reply of the Government

Indian Railways have taken many measures to increase network capacity including infrastructure projects such as Eastern Dedicated Freight Corridor (EDFC) and Western Dedicated Freight Corridor (WDFC) to create dedicated freight path to give exclusive access to freight trains.

Further, the following capacity enhancement works and rolling stock programs, among others, are planned and being executed, which upon completion, will reduce transit time of freight trains and lead to better freight trains speed:

(1) Doubling/Multi – Tracking on critical sections and high- density network.

(2) Provision of Rail flyover and Bypass lines at junction stations.

(3) Induction of higher horsepower locomotives.

(4) Induction of higher capacity and high speed wagons.

(5) Improvement to terminals and their connectivity to trunk routes.

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 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. The work in balance section has been taken up.

Dedicated Freight Corridor (DFC) Project has positive impact on transportation and logistics sector as it enabled enhanced movement of Double Stack Container (DSC) trains, higher axle load trains, faster access of northern hinterland by Western Ports and development of new terminals/linkages with industries along the DFC. The Eastern DFC mostly caters to mineral traffic from Eastern India. These developments enabled reduction in logistic cost.

DFC has contributed to creating additional paths on the conventional network by diverting freight traffic to EDFC and WDFC. Traffic on DFC in 2024-25 (till February, 2025) has reached to 352 average trains per day. In February, 2025, 371 average trains per day were run. As a result, Railways have been able to run additional goods and coaching services over its network with better punctuality.

The measures undertaken by Indian Railway (IR) towards diversification of commodity basket include the following;

1. **Policy for enhancing Rail modal share in Automobile traffic**: For better utilization of Automobile carrying stocks, the haulage rate for Automobile stocks (NMG) have been rationalized. Rate of BCACBM has also been rationalized by notifying single stack and double stack haulage rate.

The Charging of 2-wheeler when loaded in NMGHS wagons at par with NMG wagons when loaded in single deck.

To enhance the ease of doing business and to improve the wagon turn around mandatory weighment in case of automobile wagons loaded with motor vehicles has been dispensed with.

2. **Measures for enhancing the modal share of Container Traffic**:

- To promote containerization for less than full rake of container trains, Mini Rake Facility has been introduced in Container train. Minimum composition of such mini rake is 25 wagons and charging is done at applicable haulage rate.
- Weighment of empty container has been dispensed with from 15.04.2024.
- Stainless Steel in Coil form has been de-notified. This will now be charged at 'Haulage charge per TEU' basis, which is lesser than 'Container Class Rate (CCR)'.
- To enhance the modal share in containerized traffic of Tiles, 50% discount has been granted in haulage charges of empty container laden rakes returning to originating cluster after transporting the Tiles traffic to destination

3. **Measures to facilitate loading of Bulk Cement Traffic**: In order to promote movement of Bulk cement (Cement in loose form) in container and thereby increasing the modal share of this commodity, haulage rates have been rationalized.

4. **Concession on Fly Ash Traffic:**

In order to arrest the high demand of transportation of Fly ash from Thermal power station to cement plants, concession on Fly Ash in Open/ Flat wagons enhanced from 20% to 40% when back loaded at the particular terminal from 27.12.24.

Fly Ash when transported in Covered wagons is charged at class LR1.

5. **Cargo Aggregator Transportation Product:**

To facilitate cargo aggregation and thereby, expand the commodity basket on Railway, a new transportation product "Cargo Aggregator Transportation Product" is introduced which allows loading of multiple type commodities in Covered wagons such as BCN/BCNA/BCNAHS group and BCNHL group charged at train load rates.

6. **Concession on Short Lead Traffic:**

To attract short distance traffic, short lead concession has been granted for traffic up to 100 Km at the rate of 50%, 25% and 10% for traffic booked up to 0-50 KM, 51-75 KM and 76-90 KM respectively except for Coal & Coke and Iron ore traffic. Zonal Railway is empowered to enter into the agreement.

7. **Station to Station Policy:**

In order to attract more traffic and augment earnings, Station to Station rates are adopted for a specific stream of traffic for a particular commodity for movement between a specific originating and destination points.

It is applicable for the existing as well as new traffic and the maximum percentage of discount under STS is up to 30% for incremental traffic and for retention traffic a maximum of 15% can be granted.

8. **Traditional Empty Flow Direction (TEFD) Scheme:**

For utilization of empty wagons in return direction for loading at discounted freight rate, revised guidelines were issued. Under this policy, 15-20% discount in freight is granted on traffic loaded in notified empty flow directions w.e.f. 01.04.2024.

Automobile traffic (i.e. New Modified Goods (NMG) group stock) is also eligible for rebate @ 20% under TEFD (Traditional Empty Flow Direction) Automatic Freight Rebate scheme.

9. **Other initiatives are as under:**

Certain new commodities have been classified in the goods tariff to capture additional traffic such as Polyhalite (All Types), Tender Coconut, Truck Mixers, LD and GCP Sludge, Sulphur Coated Urea, Phosphogypsum and Plastic Waste.

New transportation product with enhanced permissible carrying capacity (PCC) such as BCNHL, BFNS, BOXNEL, BLSS, etc.

Recommendation (Para No. 14)

The Committee appreciate the introduction of Joint Parcel Product – Rapid Cargo Service (JPP-RCS) as a transformative step in e-Commerce and FMCG logistics through technology-driven freight solutions. To maximize its impact for better revenue generation, the Committee desire the Railways to expand service coverage to high-demand industrial and commercial hubs, ensuring frequent and reliable operations. The Committee feel that strengthening the Virtual Aggregation Platform (VAP) with seamless integration for aggregators and India Post will further enhance efficiency. The Committee observe that upgrading parcel handling infrastructure is essential to improve service quality and competitiveness in e-Commerce and FMCG logistics which shall help the railways expand its customer base in this segment. The Committee recommend that the Ministry of Railways may consider establishing a real-time performance monitoring mechanism, adopt dynamic pricing models and foster continuous collaboration with potential logistics partners for optimum performance under the Joint Parcel Product – Rapid Cargo Service (JPP-RCS).

Reply of the Government

Based on the traffic potential and utilization of the existing JPP-RCS services, increase in the frequency of JPP-RCS train no. 00111/00112 (Bhivandi Road Sankrail-Bhivandi Road) from weekly to bi-weekly has been approved.

In order to expand the service coverage, more routes are being explored in consultation with stakeholders. Efforts are on to make theVAP more robust.

Under the Umbrella work 2024-25, Rs. 2,500 crores has been allocated for provision of facilities related to Parcel Shed (including Goods Shed) under the Plan Head-53. Processing and sanctioning works under this umbrella allocation is currently in its initial stages.

Performance of the JPP-RCS is regularly monitored by the Zonal Railways as well as Railway Board. Various interactive sessions are also conducted regularly with stakeholders to get their feedback and suggestions for improvement in the Policy.

Further, in order to improve utilization of the JPP-RCS services (operational on 04 routes), and to divert the traffic from road to rail, provision of discount in freight by 50% of the JP- Scale in return direction, and charging of freight at JP Scale +35% for the roundtrip have been introduced as a pilot project (effective from 01.04.2025).

Comments of the Committee

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

Recommendation (Para No. 15)

The Committee note that Railways has made significant strides in material management through digitization, decentralized procurement and streamlined inventory control. The Committee also note that while the efficiency of warehouse operations has improved with modern infrastructure and IT-driven inventory tracking (IMMS, UDM, IREPS), challenges remain in procurement via GeM. The Committee observe that surplus stock values have increased over the last three years and feel a need for more proactive

disposal mechanisms. While recognizing the benefits of decentralized procurement, the Committee are concerned to note the persistent problems with GeM, specifically payment delays, bid management inefficiencies, and inadequate post-contract recovery. To enhance efficiency and for smooth material management, the Committee desire the Ministry of Railways to focus on resolving these GeM issues alongside optimizing demand forecasting, expediting surplus stock liquidation, and improving post-contract financial reconciliation.

Reply of the Government

Ministry of Railways regularly communicates with GeM to address issues faced by Railway buyers which is an ongoing process and is done from time to time. Recently, vide letter dated 26.12.2024, a list of various issues were communicated to GeM covering areas such as payment processing, bid management and contracts, post contract management, tracking and consignment, system interface, policy and procedures etc. In their reply dated 08.01.2025, GeM has assured that they are developing a new system namely GeM 2.0 and resolution of these issues including demand linking, clubbing and post contract recoveries will be provided in the new system. Once the new system, GeM 2.0, is launched by GeM, feedback of buyers will once again be obtained on these issues and the same will be taken up with GeM if issues persist.

As far as surplus stock liquidation is concerned, because of significant changes in design due to technological developments, there is an increase in surplus stocks. Rules and instructions are already in place for liquidation of such surplus stock, which shall be liquidated in due course of time.

Comments of the Committee

(Please see recommendation Para No. 19 of Chapter-I)

Recommendation (Para No. 16)

The Committee note that the total cost of Mumbai-Ahmedabad High-Speed Rail (MAHSR) project was estimated at Rs.1,08,000 crores and the final project cost will be ascertained only after awarding all contract packages and associated timelines. The

Committee also note that an expenditure of Rs.71,116 crores has been incurred so far on MAHSR Project as on January, 2025 and the overall physical progress stands at 48.55%, with key construction activities ongoing, including viaducts, tunnels and station buildings. The Committee further note that the project has achieved significant progress, with 100% land acquisition completed and all civil contracts awarded. The Committee have been informed that workforce training is underway, with core staff training in Japan and additional training at the High-Speed Rail Training Institute in Vadodara. Shinkansen is a specialized technology of Japan and some components under Make-in-India Policy are also being utilized. The Committee recommend the Ministry to expedite the finalization of remaining contract packages and associated works to ensure timely completion of the MAHSR Project. The Committee also desire the Ministry to address potential bottlenecks, such as delays in utility shifting and construction challenges, to avoid cost overruns and ensure the project stays on track. To support the long-term sustainability of high-speed rail operations, the Committee desire that indigenous manufacturing of Shinkansen technology components under the Make-in-India initiative be expanded. Additionally, the Ministry should prioritize the development of a skilled workforce by scaling up training programs at HSRTI Vadodara and leveraging international expertise. For upcoming HSR projects, the Committee recommend that feasibility studies be conducted, innovative financing models may be explored, and funding may be secured before sanctioning new corridors. Further, the Committee desire that the Ministry should focus on completing the MAHSR Project as a benchmark for future high-speed rail initiatives in India.

Reply of the Government

Government of India has sanctioned 508 KM long Mumbai-Ahmedabad High Speed Rail (MAHSR) project in December, 2015 to be executed with technical and financial cooperation from Government of Japan. National High Speed Rail corporation Limited (NHSRCL) was set up with authorized share capital of ₹ 20,000 cr with share of Government of India as 50% and the two States (Gujarat & Maharashtra) 25% each.

Project shall be implemented with the provision of Japanese Yen loan to the extent of about 81% of total project cost with repayment period of 50 years and further grace period of 15 years @ interest rate of 0.1% p.a. and remaining shall be provided in terms of Equity.

The current status of MAHSR project is as under:

- 100% (i.e. 1389.49 Ha) land has been acquired for Mumbai- Ahmedabad High Speed Rail (MAHSR).
- Construction work is in progress on elevated viaducts, major river bridges, station buildings, and Tunnels.
- 383 km of pier construction, 317 km of girder casting and 286 km of girder launching have been completed.
- Work of the only tunnel in Gujarat has been completed. Out of 21 km long tunnel in Maharashtra, work of 2.7 km has been completed by New Austrian Tunnelling Method (NATM).
- The overall physical progress of the project is approx. 50.5%.
- The execution of MAHSR Project is monitored/reviewed regularly
- Bullet train project is a very complex and technology intensive project.
- Timelines for the completion of the project can be reasonably ascertained after the completion of all associated works of Civil Structures, Track, Electrical, Signalling & Telecommunication and supply of Trainsets.

Comments of the Committee

(Please see recommendation Para No. 22 of Chapter-I)

Recommendation (Para No. 17)

The Committee note that Railways have prepared a National Rail Plan to develop a 'future-ready' railway system through extensive infrastructure augmentation, with a focus on increasing freight traffic to 3000 MT and passenger traffic to 10 billion by 2030, while segregating freight and passenger services via Dedicated Freight Corridors (DFCs). The Committee observe that key enhancements include raising freight train speeds to 100

kmph, expanding rail connectivity to industrial hubs, ports, and mines, introducing high-capacity rolling stock and powerful locomotives, and increasing passenger train speeds to 160-200 kmph with the gradual replacement of long-distance coaches by high-speed train sets, thereby reducing travel time by 20-25%. The Committee further note that other initiatives include expanding the railway network to 72,000 route km, redeveloping 1337 stations under the Amrit Bharat Scheme, operationalizing India's first high-speed rail between Mumbai and Ahmedabad, eliminating manned level crossings, installing the KAVACH safety system, and implementing predictive maintenance. Sustainability goals include achieving 100% electrification, net-zero carbon emissions by 2030, and introducing over 50 hydrogen-powered trains. The Committee urge the Ministry to prioritize freight optimization by enhancing last-mile connectivity and incentivizing industries to shift to rail transport. The Committee emphasize the need for rapid deployment of KAVACH safety systems and predictive maintenance to enhance operational efficiency and safety. Additionally, the Committee highlight the importance of Public-Private Partnerships (PPP) in ensuring financial sustainability for station modernization, freight terminals, and hydrogen-powered trains, as well as in adopting energy-efficient technologies to achieve net-zero emissions. The Committee recommend the Ministry to ensure optimum budget allocation in tune with targets set in the National Rail Plan, timely execution of infrastructure projects including DFCs, development of high-speed rail network and station redevelopment, with a robust monitoring framework to track progress effectively.

Reply of the Government

The National Rail Plan (NRP) is a long-term strategy by Indian Railways to create a future-ready railway system by 2030. It guides concerned executive directorates on the infrastructure and rolling stock requirements based on traffic forecasts. Executing directorates set their targets in line with the NRP and accordingly the optimum budget will

get allocated as per the project requirements. The details of key enhancements/initiatives are given below:-

Public Private Partnership

Ministry of Railways has formulated a Participative Policy, 2012 to attract investments, improve efficiency and to unleash faster development and completion of track, rolling stock manufacturing, station development and delivery of passenger freight services. The policy encompasses five (05) 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 have also participated as stakeholder for the development of new lines/gauge conversion projects under the participative policy of Ministry of Railways. 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.

Till Now, 17 projects of Rs.16,434 crore have been completed through PPP model and 8 projects of Rs.16,614 crore are under implementation including coal connectivity and port connectivity projects.

Energy Efficiency

Indian Railways has taken various initiatives to achieve energy efficiency which includes range of energy efficient technologies like switching over to production of three phase electric locomotives, EMU etc. with regenerative features, use of head on generation (HOG) technology, use of LED lights in buildings & coaches and use of star rated appliances etc.

Sanctioning of Railway projects is a continuous and dynamic process of Indian Railway. Railway infrastructure projects are taken up on the basis of remunerativeness, traffic projections, last mile connectivity, 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.

As on 01.04.2025, there are 431 (154 New Line, 33 Gauge Conversion and 244 Doubling) sanctioned projects of total length 35,966 Km, costing approx. Rs. 6.75 lakh crore, out of which, 12,769 Km length has been commissioned and an expenditure of approx. Rs. 2.91 lakh crore has been incurred upto March, 2025. The summary is as under:-

Plan Head	**No of Projects**	**Total Length NL/GC/DL** (km)	**Length Commissioned till Mar'25** (Km)	**Total Exp upto Mar'25 (in Rs. Cr)**
New lines	154	16,142	3,036	1,45,318
Gauge conversion	33	4,180	2,997	22,753
Doubling	244	15,644	6,736	1,22,858
TOTAL	**431**	**35,966**	**12,769**	**2,90,929**

Station Development

Rani Kamalapati Railway station was developed under Public Private Partnership (PPP) mode and commissioned in 2021 and is working satisfactorily. Based on the experience gained from the redevelopment of Rani Kamalapati Railway Station on PPP mode, Ministry of Railways has identified 15 Nos. railway stations located in major cities/towns for exploring redevelopment under PPP mode. Further, the proposal for redevelopment of Vijayawada railway station through PPP mode has been submitted for appraisal of Public Private Partnership Appraisal Committee (PPPAC). The other Railway stations are being redeveloped based on the surrounding growth.

Upgradation/development of railway stations is complex in nature involving safety of passengers & trains and requires various statutory clearances such as fire clearance, heritage, tree cutting, airport clearance, etc. The progress also gets affected due to brownfield related challenges such as shifting of utilities (involving water/sewage lines, optical fibre cables, gas pipe lines, power/signal cables, etc.), infringements, operation of trains without hindering passenger movement, speed restrictions due to works carried out in close proximity of tracks and high voltage power lines, etc. and these factors affect the completion time. Therefore, no time frame can be indicated for stations under this Scheme.

A robust system of reporting of progress achieved and identifying bottlenecks affecting timely delivery and execution of project is already in place. Monitoring of works is done through dedicated portal of Indian Railway Project Sanction and Management (IRPSM) and capturing issues faced by Zonal Railways through their letters, monthly reports, meetings etc. for prompt disposal including requisite approvals. Further, regular communications including coordination issues with different stakeholders are being done at Zonal/Divisional level through review/co-ordination meetings, Video Conferences (VCs) and periodical site inspections etc.

Freight Handling

To improve the efficiency of rail freight handling at the terminals, Indian Railway has adopted two-pronged approach: encouraging private sector to develop the modern rail freight terminals under Gati Shakti Multi-Modal Cargo Terminal (GCT) policy and augmenting/ upgrading the infrastructure at railway owned goods sheds. Till 30.04.2025, 103 GCTs have already been commissioned. Further, a work of Rs.12000 crore has been sanctioned for development of customer amenities at the goods sheds all across the country.

With respect to speeds, Indian Railways have taken many measures to increase network capacity including infrastructure projects such as Eastern Dedicated Freight Corridor (EDFC) and Western Dedicated Freight Corridor (WDFC) to create dedicated freight path to give exclusive access to freight trains.

Further, the following capacity enhancement works and rolling stock programs, among others, are planned and being executed, which upon completion, will reduce transit time of freight trains and lead to better freight trains speed:

(1) Doubling/Multi – Tracking on critical sections and high-density network.

(2) Provision of Rail flyover and Bypass lines at junction stations.

(3) Induction of higher horsepower locomotives.

(4) Induction of higher capacity and high speed wagons.

(5) Improvement to terminals and their connectivity to trunk routes.

KAVACH IMPLEMENTATION ON INDIAN RAILWAYS

1. Kavach is an indigenously developed Automatic Train Protection (ATP) system. Kavach is a highly technology intensive system, which requires safety certification of highest order (SIL-4).
2. Kavach aids the Loco Pilot in running of train within specified speed limits by automatic application of brakes in case Loco Pilot fails to do so and also helps the trains to run safely during inclement weather.
3. The first field trials on the passenger trains were started in February, 2016. Based on the experience gained and Independent Safety Assessment of the system by Independent Safety Assessor (ISA), three firms were approved in 2018-19, for supply of Kavach Ver 3.2.
4. Kavach was adopted as National ATP system in July, 2020.
5. 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.
6. Based on deployment of Kavach version 3.2 on1465 RKm on south central Railway, lot of experience was gained. Using that further improvements were made. Finally, Kavach specification version 4.0 was approved by RDSO on 16.07.2024.
7. Kavach version 4.0 covers all the major features required for the diverse railway network. This is a significant milestone in safety for Indian Railways. Within a short period, IR has developed, tested and started deploying Automatic Train Protection System.
8. Progress of Key items comprising Kavach system on Indian Railways upto February, 2025 is as under: -

S.N.	Items	Progress

i	Laying of Optical Fibre Cable	5743 Km
ii	Installation of Telecom Towers	540 Nos.
iii	Provision of Kavach at Stations	664 Nos.
iv	Provision of Kavach in Loco	795 Locos
v	Installation of Track side equipment	3727 Rkm

9. Next phase of Kavach implementation is planned as under:-
    a. Project for equipping 10,000 Locomotives has been finalized. 69 number of loco sheds have been prepared for equipping with Kavach.
    b. Bids for track side Works of Kavach for approximately 15,000 RKm have been invited covering all GQ, GD, HDN and identified sections of Indian Railways, out of which works of 1865 RKm have been awarded.
10. 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.
11. 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 20,000 technicians, operators and engineers have been trained on Kavach technology. Courses have been designed in collaboration with IRISET.

Predictive Maintenance System for Railway Signalling Assets.

1. Remote Diagnostic & Predictive Maintenance System (RDPMS) is an Artificial Intelligence/Machine Learning (AI/ML)-based predictive maintenance system designed to enhance the reliability and efficiency of railway signaling assets. It enables real-time monitoring, failure prediction, and data-driven maintenance planning, minimizing unexpected failures.
2. The system generates automated alerts to maintenance teams, facilitating proactive action, and supports remote diagnostics.
3. The initial deployment of RDPMS in Signalling has been done at around 100 stations. Based on the experience gained, several improvements have been identified, leading

to a revision of the Functional Requirement Specification (FRS), which is under issue, to make the system more effective for signaling assets.

Recommendation (Para No. 18)

The Committee note that the plan outlay for Training and Human Resource Development (HRD) in 2025-26 has been kept at Rs. 301 crore. In 2024-25, the actual expenditure was Rs. 133.50 crore (upto December, 2024) against the Revised Estimate (RE) of Rs. 197.52 crore, while in 2023-24, the actual expenditure stood at Rs. 101.93 crore against an RE of Rs. 242 crore. Under the Rashtriya Rail Sanraksha Kosh (RRSK), the gross expenditure on Training/HRD works at the RE stage in 2024-25 was Rs. 146.96 crore, whereas the Budget Estimate (BE) for 2025-26 is Rs. 185 crore. The Committee acknowledge the ongoing training programs as essential for developing a skilled workforce to manage and maintain High-Speed Rail (HSR) operations, with specialized training already in progress in Japan. Additionally, training for other O&M staff is being conducted by the trained core O&M personnel at the High-Speed Rail Training Institute (HSRTI) in Vadodara. As the Indian Railways undergoes a critical transition phase with the adoption of new technologies, the Committee desire the Ministry for optimum utilization of allocated funds. The Committee also desire the Ministry to equip railway personnel with up-to-date skills and knowledge and enable them to handle the complexities of modern railway operations, ensuring a competent and efficient workforce to enhance safety and operational efficiency. The Committee recommend the Railways to formulate comprehensive training programs incorporating advanced teaching methodologies and designing futuristic training modules. Furthermore, the Committee urge the Ministry to collaborate with premier training institutes in India and abroad to provide world-class training, ensuring that railway personnel are well-equipped to meet emerging challenges and technological advancements in the sector.

Reply of the Government

Indian Railways have an extensive network of 8 Centralised Training Institutes and 158 Other Training Institutes across the country to address training needs of approx. 12 lacs railway personnel. Upgradation/creation of training infrastructure is a continuous process. In view of rationalization of Railway Training Centres, existing railway training institutes needs to be upgraded as Multi-disciplinary Zonal/Divisional Training Institutes and there is a consistent fund demand from railways. Efforts are being made through regular interactions with zonal railways to ensure need-based fund allocation and their utmost utilisation.

During FY 2024-25, an expenditure of Rs. 140 crores was made against the revised outlay of Rs. 144 crores. For current fiscal 2025-26, an outlay of Rs. 301 crores has been kept for Training and HRD.

During 2023-24, about 5.19 lakh employees have undergone different training modules viz. initial, promotional, refresher & specialized.

Indian Railways is making significant strides in overcoming the challenges, it faces in training its workforce. By investing in modern infrastructure, adopting new learning methods like simulator training, and upskilling instructors, it is gradually overcoming limitations related to resources and skilled personnel. Simulator training enhances their ability to respond to emergencies, improves decision-making, and provides opportunities for continual learning and improvement.

Indian Railways has also embraced e-learning techniques. This includes online training modules on iGOT Karmayogi Platform, which are accessible on anytime-anywhere basis, making training more accessible and flexible. To ensure the effectiveness of the training programs, the training modules are regularly updated and upgraded.

Further, as safe train operation is the top most priority of Indian Railways, special emphasis is laid on the training of safety category employees. Detailed training modules *including on Kavach system* as per prescribed periodicity are available for

respective categories at initial and promotional stages along with refresher courses as well as specialized training courses, laying emphasis on practical aspects which help them in skill upgradation and assimilation with related advanced technology, keeping a focus on overall safety and passenger experience. These modules are also updated keeping in view the technological changes in working practice.

Comments of the Committee

(Please see recommendation Para No. 25 of Chapter-I)

Recommendation (Para No. 19)

The Committee note that budget estimates for Railway Research for year 2025-26 has been kept at Rs. 60.60 Crore at BE stage. The Committee further note that the Railways have been unable to utilize the allocated funds for research during the past three years despite the budget allocation being conservative. Against Revised Estimates of 107 Crore in 2022-23, 67 Crore in 2023-24 and Rs. 72.01 Crore in 2024-25, the actual expenditure was Rs. 39.12 Crore, Rs. 28.33 Crore and Rs. 27.17 Crore (till December, 2024) respectively. The Committee in their first Report on Demands for Grants (2024-25) had recommended 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. The Committee considered Research & Development a crucial and strategic investment for the long-term modernization of Railways, essential for enhancing operational efficiency, ensuring safety and fostering technological self-reliance. Therefore, the Committee reaffirm their earlier recommendation and urge the Ministry to effectively utilize the allocated funds to achieve the desired objectives besides recognizing research as a long term crucial investment for modernization of Indian Railways thereby augmenting its allocation in Railway Research.

Reply of the Government

The Committee’s recommendations and emphasis placed on Research and Development in Indian Railways are noted. In year 2024-25, fund utilisation of PH-18 is Rs. 42.44 Crore which is more than the expenditure of previous two years. Further, it is reiterated that a number of projects are being developed under RDSO's stewardship 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. Also, major R&D expenditure is related to manpower, which is charged to Revenue. Revenue expenditure on R&D activities in RDSO for FY 2022-23, 2023-24 and 2024-25 were Rs. 393.15 Crore, 417.29 Crore and 463.05 Crore respectively. The Centres for Railway Research (CRRs) are being established at IITs. CRR is functional at IIT/Kharagpur and CRR at IIT, Kanpur and Roorkee are likely to be ready in the coming fiscal 2025-26 leading to improved Research efforts.

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 August, 2025
16 Shravan, 1947 (Saka)

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

ANNEXURE

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

The Committee met on Thursday, the 7th August, 2025 from 1500 hrs. to 1530 hrs. in Committee Room No. 3, Parliament House Annexe Extension, New Delhi.

PRESENT

Dr. C.M. Ramesh – Chairperson

MEMBERS

LOK SABHA

2. Shri Damodar Agrawal
3. Shri Tariq Anwar
4. Shri Ummeda Ram Beniwal
5. Shri Chhotelal
6. Smt. Sangeeta Kumari Singh Deo
7. Dr. Amol Ramsing Kolhe
8. Shri Kaushalendra Kumar
9. Shri Khagen Murmu
10. Shri Awadhesh Prasad
11. Shri Sudama Prasad
12. Shri M K Raghavan
13. Smt. Satabdi Roy
14. Dr. Bhola Singh
15. Shri Bharatbhai Manubhai Sutariya
16. Shri Vijayakumar Alias Vijay Vasanth

RAJYA SABHA

17. Dr. Sarfraz Ahmad
18. Shri Narhari Amin
19. Shri Subhasish Khuntia
20. Shri Upendra Kushwaha
21. Dr. K. Laxman
22. Smt. Sadhna Singh
23. Dr. Sumer Singh Solanki

SECRETARIAT

1. Shri Dhiraj Kumar - Joint Secretary
2. Md. Aftab Alam - Director
3. 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) ***** ***** ***** *****

(ii) Action Taken by the Government on the Observations/ Recommendations contained in their 3rd Report (18th Lok Sabha) on 'Demands for Grants (2025-26) of the Ministry of Railways'.

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.

The Committee then adjourned.

*** Not related to the Report**

APPENDIX

ANALYSIS OF ACTION TAKEN BY THE GOVERNMENT ON THE RECOMMENDATIONS/OBSERVATIONS CONTAINED IN THE THIRD REPORT (18TH LOK SABHA) ON "DEMANDS FOR GRANTS (2025-26) OF THE MINISTRY OF RAILWAYS"

Total number of Recommendations/Observations -		19
(i)	Recommendations/Observations which have been accepted by the Government –	19
	Para Nos. 1,2,3,4,5 6,7, 8,9 ,10, 11,12 ,13, 14, 15, 16, 17, 18, 19	
	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 –	NIL
	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%