17

STANDING COMMITTEE ON RAILWAYS

(2012-13)

FIFTEENTH LOK SABHA

MINISTRY OF RAILWAYS
(RAILWAY BOARD)

[Action taken by the Government on the recommendations/ observations contained in the 14th Report of the Standing Committee on Railways (Fifteenth Lok Sabha) on 'Demands for Grants - 2012-13 of the Ministry of Railways']

SEVENTEENTH REPORT

सत्यमेव जयते

LOK SABHA SECRETARIAT
NEW DELHI

April, 2013/ Vaisakha, 1935 (Saka)

SCR NO. 168

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Presented to Lok Sabha on 22.04.2013
Laid in Rajya Sabha on 22.04.2013

LOK SABHA SECRETARIAT
NEW DELHI

April, 2013/ Vaisakha, 1935 (Saka)

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Shri T. R. Baalu - Chairman

MEMBERS

LOK SABHA

2. Shri Partap Singh Bajwa
3. Dr. Ram Chandra Dome
4. Smt. Maneka Gandhi
5. Shri Pralhad Joshi
6. Shri Bhaskar Rao Patil Khatgonkar
7. Dr. Nirmal Khatri
8. Shri Surendra Singh Nagar
9. Shri Devender Nagpal
10. Shri Anand Prakash Paranjpe
11. Shri Rayapati Sambasiva Rao
12. Shri Rudra Madhab Ray
13. Shri Magunta Sreenivasulu Reddy
14. Smt. Satabdi Roy
15. Smt. Yashodhara Raje Scindia
16. Shri Ganesh Singh
17. Shri Lal Ji Tandon
18. Shri Ashok Tanwar
19. Shri Harsh Vardhan
20. Dr. Vivekanand
21. Smt. Dimple Yadav

RAJYA SABHA

22. Shri Husain Dalwai
23. Shri Prabhat Jha
24. Shri Om Prakash Mathur
25. Dr. Barun Mukherji
26. Shri K. Parasaran
27. Shri Ambeth Rajan
28. Shri Tarini Kanta Roy
29. Shri Bashistha Narain Singh
30. Shri Ishwar Singh
31. Shri Nandi Yellaiah

SECRETARIAT

1.	Shri K. Vijayakrishnan	-	Joint Secretary
2.	Shri Abhijit Kumar	-	Director
3.	Shri Arun K. Kaushik	-	Additional Director
4.	Smt. Geeta Parmar	-	Under Secretary

INTRODUCTION

I, the Chairman of the Standing Committee on Railways (2012-13), having been authorized by the Committee to present the Report on their behalf, present this Seventeenth Report of the Committee on Action Taken by the Government on the Recommendations/Observations contained in the Fourteenth Report of the Standing Committee on Railways on Demands for Grants - 2012-13 of the Ministry of Railways.

2. The Fourteenth Report was prese nted to the Lok Sabha on 25.04.2012 and it contained 33 recommendations/observations. The Ministry of Railways have furnished their Action Taken Replies in respect of all the recommendations/observations.

3. The Committee considered and adopted the Draft Action Taken Report at their sitting held on 05.04.2013.

4. An analysis of the action taken by the Government on the recommendations/ observations contained in the Fourteenth Report of the Standing Committee on Railways (Fifteenth Lok Sabha) is given in Appendix-II.

NEW DELHI;
17 April, 2013
27 Vaisakha, 1935 (Saka)

T.R. BAALU,
Chairman,
Standing Committee on Railways

CHAPTER - I

REPORT

This Report of the Committee deals with the action taken by the Government on the recommendations and observations contained in the Fourteenth Report of the Standing Committee on Railways (2011-12) on “Demands for Grants (2012-13)” of the Ministry of Railways. The Report was presented to the Lok Sabha on 25.04.2012. Simultaneously, the Report was also laid in the Rajya Sabha.

2. Action Taken Notes have been received from the Government on all the 33 recommendations/observations contained in the Report. These have been broadly categorized as follows:

(i) Recommendations/observations which have been accepted by the Government:-
Para Nos. 1, 2, 3, 6, 7, 8, 9, 10, 13, 14, 17, 18, 20, 21, 24, 26, 27, 28, 29, 30, 31, and 32

Total : 22
Chapter-II

(ii) Recommendations/observations which the Committee do not desire to pursue in view of the Government’s replies:-
Para Nos. 4, 5, 11, 12, 15, 16, 22, & 25

Total : 8
Chapter-III

(iii) Recommendations/observations in respect of which replies of the Government have not been accepted by the Committee and which require reiteration:-
Para Nos. 19, 23, and 33

Total : 3
Chapter-IV

(iv) Recommendations/observations in respect of which final replies are awaited:-
Para Nos. NIL

Total : NIL

Chapter-V

3. The Committee trust that utmost importance would be given to implementation of the recommendations/observations accepted by the Government. In cases where it is not possible for the Department to implement the recommendations in letter and spirit for any reason, the matter should be reported to the Committee with reasons thereof. The Committee further desire that Action Taken Notes on the recommendations/observations contained in Chapter-I of this Report should be furnished to them at an early stage.

4. The Committee will now deal with the action taken by the Government on some of their recommendations/observations.

Financial Performance

Recommendation (Para No. 2)

5. The Committee had noted with concern that during the 11th Five Year Plan, the investment through internal generation of resources was short of the target by Rs. 23,296 croreas against the target of Rs. 90,000 crore, the reason suggested by the Ministry being the impact of the recommendations of the 6th Central Pay Commission which led to an additional outgo of Rs. 73,000 crore in the last four years of the Plan. Further, an over-ambitious target of Rs. 1,99,805 crore and Rs. 18,050 crore has been fixed for the 12th five Year Plan and the Annual Plan 2012-13, respectively. The Committee had been informed that the 12th Plan has been targeted to increase the originating loading from 970 million tones in the terminal year of the 11th Five Year Plan to 1405 million tones in the year 2016-17. Also, the passenger traffic has been envisaged to go up from 8291 million in the year 2011-12 to 11711 million in 2016-17 and with these increments and rationalization of fares and freights to partially neutralize the cost of provision of services, it has been envisaged that the target for resource mobilization from these services would materialize. Recalling that in the past also higher budgetary estimates were made initially and then were reduced at the

revised stage, the Committee had desired that commensurate efforts should be made in order to achieve such ambitious targets.

6. The Ministry of Railways in their reply have stated that 12th Five Year Plan of Indian Railways has been formulated keeping in view the GDP growth projection of 9% in the Planning Commission's Approach Paper for the 12th Five Year Plan. The projections of freight and passenger traffic and requirement of fixed infrastructure, rolling stock, renewals, modernization and safety have also been estimated based on this level of GDP growth. The 12th Plan Outlay of Rs. 7.35 lakh crores has been accordingly proposed to carry out the required capacity augmentation, modernization and safety related works. Since transportation is a derived demand of the economy, the investment required in railways will finally depend upon actual level of economic growth, for which Railways is only one of the contributing agencies.

7. The Committee do appreciate that transportation is a derived demand of the economy and the investment required in railways will finally depend upon the actual level of economic growth, for which the Railways is only one of the contributing agencies. However, it is still expected that with prudent planning and concrete measures, the Ministry of Railways would be able to bridge the gap in the availability of resources and optimally utilize the allocated funds.

Recommendation (Para No. 3)

8. The Committee had been informed that the shortfall in Extra Budgetary Resources (EBS) of Rs. 31,150 crore during the 11th Plan as against the target of Rs. 79,654 crore was primarily due to lesser mobilization through Public Private Partnership (PPP). In railway sector, PPP had been intrinsically difficult due to the long gestation period and relatively low returns. The Committee had, therefore, desired that the Ministry of Railways should explore other avenues of the railway sector having a comparatively low gestation period.

9. The Ministry of Railways have accepted the recommendation of the Committee and stated that in fact, a number of areas identified/earmarked for private participation are of the open-entry type based on standard policy models. These include: container operation, private freight terminals, special freight train operations and Wagon Investment schemes. These schemes have relatively low gestation period.

10. The Committee hope that the Ministry would take all suitable steps to ensure that the projects under the areas identified for private participation are completed within the fixed time frame so that their target of Rs.1050 crore for PPP fixed during 2012-13 is realised.

Gauge Conversion

Recommendations (Para Nos. 13 & 14)

11. The Committee had noted with concern that gauge conversion had remained one of the major areas of shortfall during the 11th Five Year Plan. Against the target to complete 10,000 km of gauge conversion, which was revised downwards to 6000 km., the achievement was 5321 km. The reason was shortage of funds which resulted in slow pace of execution of various railway projects/activities. The Committee had desired the Ministry to take up the issue of inadequate financial allocation with the Government so that important projects like gauge conversion were not stalled for want of funds. The Committee had also noted that during 2007-08, 2008-09, 2009-10 and 2010-11, the financial targets were revised upwards, however, the physical target was either reduced or kept unchanged and desired to be apprised of the reasons for the same.

12. The Ministry of Railways in their action taken reply have stated that the main reason for downward revision of the targets and upward revision of fund allocation is the wide gap between availability and requirement of funds for execution of projects. As on 01.04.2012, there are 42 ongoing gauge conversion projects requiring about Rs. 18,659 crore for their completion against which an allocation of Rs. 2270 crore has been made during 2012-13. On Indian Railways, about 8000 Km of MG/NG lines are

remaining to be converted into BG, out of which 5500 km are already sanctioned and in progress. Remaining 2500 Km are yet to be sanctioned. Railways are committed to its Uni-Gauge policy.

13. The Committee are deeply concerned to see the problem of resource crunch in the Ministry of Railways for execution of their important gauge conversion projects. The Ministry have been allocated just Rs. 2270 crore during 2012-13 against Rs.18,659 crore actually required for 42 ongoing gauge conversion projects. The Committee, therefore, recommend that the matter of low allocation of funds should be taken up with the Ministry of Finance and Planning Commission at the highest level so that the annual plan outlay for gauge conversion projects do not suffer for want of adequate funds.

Rolling Stock Capacity Augmentation

Recommendation (Para No. 19)

14. With regard to addressing the problem of shortage of coaches, the Committee had been informed that the plant at Rai Bareli was almost ready and it would be the third railway production unit for manufacture of coaches, after ICF Perambur and RCF Kapurthala which together had been manufacturing almost 3,000 to 3,200 coaches per year. This plant would also progressively graduate to manufacturing 1000 coaches per year. Also two coach factories at Palakkad, the foundation stone of which had been laid, would come up on PPP basis. Then, there will be one in Kutch area and one in Karnataka as Railway's own production unit. The Railways had also been procuring coaches from four production units outside which were giving them about 400 to 500 coaches every year. The Committee had desired that they should be informed of the progress in respect of the above said upcoming manufacturing units.

15. The Committee in their action taken reply have stated that the progress in respect of the said upcoming manufacturing units is as under:

Rail Coach Factory at Raebareli

The work of setting up of Rail Coach Factory/Raebareli has been given to IRCON for execution. The construction work for the Phase-I of the project has been completed and the work of painting, furnishing, assembly and testing of LHB design coaches has commenced during 2011-12. The construction work and procurement of Machinery and Plant for Phase-II (Shell manufacturing shop, Bogie shop, Wheel shop, Administration block, staff & officers colony) has already started and is progressing satisfactorily. 18 coaches are ready in all respect.

Rail Coach Factory at Palakkad

The work of setting up of one Rail Coach Factory at Palakkad in Kerala has been included in Railway Budget 2012-13 for seeking Parliamentary approval. The factory with an annual production capacity of 400 coaches, is proposed to be set up as a Joint Venture at an estimated cost of Rs. 550 crores (excluding cost of land). After necessary approvals, Ministry of Railways shall purchase land for the factory from Government of Kerala for leasing it to the Joint Venture. Work for award of contract for bid process management in this case will also be taken up after the project is approved.

Rail Coach Factory in Kutch area of Gujarat

Rail Coach Factory in Kutch area of Gujarat has been announced in the Railway Budget 2012-13. Western Railway has been instructed to co-ordinate with Kandla Port and State Government for deciding the terms and conditions under which the land can be acquired for this project. Mode for financing and administering the unit will be decided thereafter.

Rail Coach Factory at Kolar in Karnataka

Rail Coach Factory at Kolar in Karnataka has been announced in the Railway Budget 2012-13. South Western Railway has been instructed to co-ordinate with the State Government for the suitability of the land identified by the State Government for this project and work out the modalities for transfer of the land to Railways. Mode for financing and administering the unit will be decided thereafter.

16. The Committee are disheartened to observe the dismal progress in respect of the upcoming rail coach factories. The Rail Coach Factory at Raebareli has so far manufactured only 18 coaches. The project for setting up of the Rail Coach Factory at Palakkad is yet to obtain necessary approvals and as far as the coach factories in the Kutch area of Gujarat and at Kolar in Karnataka are concerned, the terms and conditions under which land can be acquired for these projects has yet to be decided. The Committee, while expressing dissatisfaction over the tardy progress in setting up of new rail coach factories, recommend to the Ministry of Railways to expeditiously streamline the procedure in this regard.

Level Crossing

Recommendation (Para No.23)

17. The Committee had been informed that unmanned gates, where infrastructure was ready would be manned with sanction of the new post of gateman through recruitment during 2012-13. The Committee had desired that they should be apprised of the number of unmanned gates where infrastructure is ready and are awaiting sanctioning of posts. According to the Committee, the whole exercise had no meaning when the infrastructure for manning the gates was ready but could not be used because of absence of manpower.

18. The Ministry in their action taken reply have informed that infrastructures are ready at 539 level crossings but could not be manned for want of the sanction of the post of Gatemen. Employees, appointed on compassionate ground, who are fit to work as Gatemen are being deputed as Gatemen, to the extent possible. Recruitment process is also on to fill up the existing vacancies of Gangmen & Gatemen.

19. The Committee note with concern that at present, 539 level crossings are awaiting manning for want of sanction of posts of Gatemen, which reflects very

poorly on the planning and foresight of the Ministry. Deputing employees appointed on compassionate grounds as gatemen cannot be a tangible solution to the problem. The Committee, therefore, strongly recommend that the vacancies of gatemen should be filled up without any further delay.

Dedicated Freight Corridors

Recommendation (Para No.29)

20. The Committee had observed that adequate outlays had been allocated in the Twelfth Five Year Plan in respect of Dedicated Freight Corridors. This also included around Rs. 85000 that the Railways would have to spend besides spending on the project through the World Bank loan and through Japan International Cooperation Agency (JICA). Further, a Cabinet note was also being drafted by the Ministry mentioning their constraints to utilize the existing funds Rs. 24,000 crore through the gross budgetary resources for dedicated freight corridor. And, in case the dedicated freight corridors had to go on the fast track, the Ministry would need an additional funding from the Government of India. The Committee had strongly, recommended that the Annual Plan allocation be stepped up at the revised estimate stage to give a momentum to the DFC project.

21. The Ministry in their action taken reply have stated that funding of Rs. 89,417 Crore is required in the Twelfth Five Year Plan for commissioning the Eastern and Western DFCs. Out of this, Rs 10,022 Crore would be mobilized through Public Private Partnership (PPP) for Dankuni - Sonnagar section. Balance funding of Rs 79,395 Crore would be through bilateral/multilateral debt and Gross Budgetary Support.

<u>Debt</u>

(i) World Bank debt – Rs 13,625 Crore for Ludhiana-Khurja-Kanpur-Mughalsarai section of Eastern DFC

(ii) <u>JICA debt</u> – Rs 31,486 Crore for Western DFC

Total debt – Rs 45,111 Crore

Equity for DFC and funds for Land Acquisition through Gross Budgetary Support – Rs 34,284 Crore

All the debt from World Bank and JICA would also be received through the Gross Budgetary Support (GBS).

22. It has been added that on an average GBS of Rs 15,879 Crore per year would be required during the Twelfth Five Year Plan for implementing the DFC project. A provision for this has been made in the projection for Twelfth Plan Outlay proposed by Ministry of Railways to Planning Commission.

23. The Committee feel that there is an urgent need for dedicated freight corridors so that goods trains can move without any impediment keeping in mind the GDP growth projection of 9 percent by the Planning Commission's Approach Paper for the 12th Plan. They desire that the Ministry should ensure that all requisite targets for the prestigious project of national importance are achieved within the fixed time frame, and, if need be, the matter for allocation of more funds be taken up with the Planning Commission.

Miscellaneous

Recommendation (Para No. 33)

24. The Committee had learnt that the Ministry of Railways had received directions from the Cabinet Secretariat vide letter dated 21.3.2011 that a policy regarding transfer or alienation of land held by the Government or Statutory authorities, etc was being framed and in the meanwhile, all Ministries/Departments would have to seek specific approval of the Cabinet in each case of sale or long term lease of land belonging to the Government or Government controlled statutory authorities. The Railways had also been waiting for Cabinet approval as their multi-functional complexes were ready but they could not exploit them commercially. A Cabinet note

for permitting development of Railway land by Rail Land Development Authority for augmenting revenues was stated to be under process; views of the Ministry of Finance on the same were awaited. It was stated that the Note for approval of Cabinet would be sent for consideration of Cabinet on receipt of the views of Ministry of Finance. The Committee, had therefore desired that the matter should be pursued with the Ministry of Finance more vigorously so that their efforts to garner resources through the PPP mode would bear fruit.

25. In their action taken reply, the Ministry of Railways have stated that the views of the Ministry of Finance have been received. Final Note for approval of Cabinet is under preparation.

26. The Committee are not satisfied with the reply of the Ministry that the final Note for approval of Cabinet is still under preparation. In this context, the Committee recall that in the course of examination of the Demands for Grants (2012-13) in the month of March, 2012, it was stated that a Cabinet Note for permitting development of Railway land by the Rail Land Development Authority for augmenting revenues was under process. The Committee express deep concern over the inordinate delay in the finalization of the Cabinet Note and desire that now that the views of the Ministry of Finance have been received, the Ministry should expeditiously prepare and send the Note for Cabinet approval so that commercial use of their multi-functional complexes is not further delayed.

CHAPTER – II

RECOMMENDATIONS / OBSERVATIONS WHICH HAVE BEEN ACCEPTED BY THE GOVERNMENT

Recommendation (Para No.1)

Financial Performance

The Committee note to their dismay that the 11th Five Year Plan targeted at Rs. 2,33,289 crore with Gross Budgetary Support (GBS) of Rs. 63,635 crore, Internal Resources of Rs. 90,000 crore and Extra Budgetary Support of Rs. 79,654 crore is likely to fall short of the targets by Rs. 41,042 crore at Rs. 1,92,247 crore. The Committee further note that throughout the 11th Plan, the original targets were revised downward at RE stage. During 2007-08, 2008-09, 2009-10, 2010-11 and 2011-12, the BE of Rs. 31000 crore, Rs. 37500 crore, Rs. 40745 crore, Rs 41426 crore and Rs. 57630 crore, respectively, were revised downward to Rs. 30618 crore, Rs. 36773 crore, Rs. 40284 crore, Rs. 40315 crore and Rs. 46467 crore, respectively, which is certainly not a satisfactory situation. It is also seen that actual utilization, except for the year 2010-11, was even less that the revised targets. During 2007-08, 2008-09, 2009-10 and 2011-12(likely), the actual expenditure was Rs. 28980 crore, Rs. 36336 crore, Rs. 39672 crore and Rs. 46467 crore (likely) respectively. The actual expenditure during 2010-11 was Rs. 40793 crore. The submission of the Ministry that despite the reduction, there is an upward trend in the Railways' Plan Expenditure over the years is not understandable. In other words, while the Ministry appears to be satisfied with the comparative increase of expenditure every year, the achievement of targets is not taking place, which is every disturbing. The Committee, in their 11th Report on Demands for Grants (2011-12), had expressed concern over the frequent downsizing of the Plan outlay which, the committee felt, was nothing but a negation of the planning process. Needless to add, the sanctity of the Plan should be maintained at all costs. The committee, therefore, reiterate that while preparing budgetary estimates, original targets should be kept in view so that frequent downsizing of the Plan outlay could be avoided.

Reply of the Government

The observations of the Committee with regard to downsizing of the Plan Outlay at Revised Estimates stage during the XI Plan Period are factual. The downsizing of the Plan Outlay in various years of the Plan Period were due to various factors like reduction in the internal resource generation due to economic slowdown during 2007-08 & the additional burden of implementation of VI Central Pay Commission recommendations in later years. The downsizing was also the result of slower progress of works under Railway Safety Fund and less than anticipated mobilization of funds under Public Private Partnership (PPP).

The concerns of the Committee have however been noted.

[Ministry of Railways O.M. No. 2012/BC-II/XV/300/2,
Dated 06.08.2012]

Recommendation (Para No. 2)

The Committee note with concern that during the 11th Five Year Plan, the investment through internal generation of resources was short of the target by Rs. 23,296 crore. As against the target of Rs. 90,000 crore, the achievement has only been Rs. 66,704 crore, the reason suggested by the Ministry being the impact of the recommendations of the 6th Central Pay Commission which led to an additional outgo of Rs. 73,000 crore in the last four years of the Plan. The Committee further observe that an over-ambitious target of Rs. 1,99,805 crore and Rs. 18,050 crore has been fixed during the 12th five Year Plan and the Annual Plan 2012-13, respectively, for internal generation of resources. As informed, the 12th Plan is targeted to increase the originating loading from 970 million tones in the terminal year of the 11th Five Year Plan to 1405 million tones in the year 2016-17. Similarly, the passenger traffic is envisaged to go up from 8291 million in the year 2011-12 to 11711 million in 2016-17. For the year 2012-13, the targets for originating loading and originating passengers are fixed at 1025 million tonnes and 8740.79 million passengers respectively. With these increments and rationalization of fares and freights to partially neutralize the cost of provision of services, it is envisaged that the target for resource mobilization from these services would materialize. The Committee are of the view that merely fixing ambitious targets is not going to serve any purpose, if commensurate efforts are not put in to achieve them. The Committee further observes that there has been a tendency in the past to initially fix higher budgetary estimates and then reduce them at the revised stage. The Committee desire that the budgetary exercise should be undertaken with much more seriousness and every effort should be made to realize the targets. The Committee, therefore, urge the Ministry to further streamline its functioning in order to achieve the targets fixed for internal generation of resources during 2012-13 and the 12th Plan.

Reply of the Government

12th Five Year Plan of Indian Railways has been formulated keeping in view the GDP growth projection of 9% in the Planning Commission's Approach Paper for the 12th Five Year Plan. The projections of freight and passenger traffic and requirement of fixed infrastructure, rolling stock, renewals, modernization and safety have also been estimated based on this level of GDP growth. The 12th Plan Outlay of Rs. 7.35 lakh crores has been accordingly proposed to carry out the required capacity augmentation, modernization and safety related works. Since transportation is a derived demand of the economy, the investment required in railways will finally depend upon actual level of economic growth, for which Railways is only one of the contributing agencies.

[Ministry of Railways O.M. No. 2012/BC-II/XV/300/2,
Dated 06.08.2012]

Comments of the Committee

(Please see recommendation para no. 7 of Chapter I)

Recommendation (Para No. 3)

The Committee further observe that the shortfall in Extra Budgetary Resources (EBS) during the 11th Plan was primarily due to lesser mobilization through Public Private Partnership (PPP) as the Railways had been able to meet the target for market borrowing through the IRFC. Thus, there had been shortfall of Rs. 31,150 crore in respect of EBS as against the target of Rs. 79,654 crore. The reasons for the same have been cited as under: bidding out of World Class Station Projects could not take off; approvals required from State Governments could not come in time in case of New Delhi, Mumbai CST and Patna; bidding out of Locomotive Factory projects at Madehpura and Marhowra also got stalled due to delay in finalization of agreed bidding/contract documents; and port connectivity/SPV projects got delayed due to problems associated with land acquisition. The Committee are not convinced with the reasons submitted as most of these procedural delays could very well have been overcome had the Ministry put in focused efforts in this direction. As submitted, PPP in railway sector is intrinsically difficult due to the long gestation period and relatively low returns. The Committee desire that the Ministry should explore other avenues of the railway sector which have a comparatively low gestation period.

Reply of the Government

Ministry of Railways agrees. In fact, a number of areas identified/earmarked for private participation are of the open-entry type based on standard policy models. These include: container operation, private freight terminals, special freight train operations and Wagon Investment schemes. These schemes have relatively low gestation period.

[Ministry of Railways O.M. No. 2012/BC-II/XV/300/2,
Dated 06.08.2012]

Comments of the Committee

(Please see recommendation para no. 10 of Chapter I)

Recommendation (Para No.6)

An examination of the expenditure during the XI Plan period reveals that there had been a constant increase in expenditure, viz. From Rs.54,942.55 crore in the year 2007-08 to Rs.72484.53 crore in the year 2008-09, and from Rs.83,685.20 crore in the year 2009-10 to Rs.90,334.88 crore in the year 2010-11. Further, in the year 2011-12, the expenditure again increased from 97400 crore (BE) to Rs.99,502.39 crore (RE).

As a result, the net revenue has shown a decline in 2011-12 from Rs.11,993.13 crore (BE) to Rs.7,144.39 crore (RE), i.e., a decrease of 40.43 percent. The reason being cited is that the Ordinary Working Expenses and the pension payments exceeded the Revised Estimates, mainly due to higher staff and pension payments arising from the implementation of the 6th CPC. Though the Ministry have taken steps to contain expenditure both under Plan and non-Plan, the gap in resources had to be bridged through a short term loan of Rs.3,000 crore from the General revenues. While the Committee do appreciate the constraints faced by the Ministry in controlling the gross expenditure for various compelling reasons not under their control, the Committee expect that the Ministry will give serious consideration to the growing trend of expenditure over the years and will try their best to put effective control over the net expenditure to the extent possible. The Committee trust that the Ministry will take all necessary steps to avoid recurrence of the need for a loan to bridge the gap in resources.

Reply of the Government

Ministry of Railways had to take a loan of Rs 3000 cr from Ministry of Finance in 2011-12 to cover the negative balance in Capital Fund and to fund projects from the two funds.

In the Budget for 2012-13, provision has been made to repay the entire loan alongwith interest despite the option of repaying in two yearly installments. Railways have also projected an improved fund balances of Rs.4816 crore in 2012. With the rationalization of fare and freight rate structure already implemented and much rigorous expenditure control and resource management, improved financial performance during 2012-13 is expected. Position will be dynamically monitored to ensure better matching of resources and expenditure.

[Ministry of Railways O.M. No. 2012/BC-II/XV/300/2,
Dated 06.08.2012]

Recommendation (Para No.7)

The Committee further note that the BE for net revenue for the year 2012-13 has been fixed at Rs.22,233.07 crore which is more than 200 percent over the net revenue during 2011-12 of Rs.7,144.39 crore (likely). In the background of the earnings and expenditure trend in the Railways, the Committee would like to stress that the Ministry should now play a more active role, particularly in fulfilling their targets in respect of revenue receipts and expenditure so as to achieve optimally the target fixed for net revenue during 2012-13. As submitted, the Budget Estimates for 2012-13 for earnings and expenditure have been made on a realistic basis and taking into account the rationalization for freight and fare structure. The progress of earnings and expenditure, both revenue and Plan, will be closely monitored and efforts will be to achieve the target of net revenue. Further, a memorandum to the Railway Convention Committee has been submitted to reduce the rate of dividend from 5 percent to 3 percent and if approved, it will provide an additional relief of about Rs.1,400 crore. Also, as a measure of prudent financial management, Plan expenditure will be strictly regulated to synchronize with the mobilization of resources during the year. The Committee trust that the Ministry would take all these measures with full seriousness and would be able to meet the target for net revenue during the year 2012-13.

Reply of the Government

Railway Convention Committee has recommended for a reduction in the rate of dividend from 5% to 4%. Ministry of Railways are making all efforts to augment the revenue receipts and contain the expenditure to the possible extent. The observation of the Committee are however noted.

[Ministry of Railways O.M. No. 2012/BC-II/XV/300/2,
Dated 06.08.2012]

Recommendation Para No. 8)

Traffic Receipts/ Passengers Earnings

The Committee, in their 11th report on DFG (2011-12), had commented on the shortfall in the Gross Traffic Receipts (GTR) of the Railways during 2007-08, 2008-09 and 2009-10 and apprehended that the trend of shortfall would continue in 2010-11 and 2011-12. From the figures of GTR, the Committee note that against the RE of Rs. 94840 crore, the achievement is Rs. 94536 crore. During 2011-12, the target of Rs. 106239 crore has been revised downwards to Rs. 103917 crore. The reason for the same is that the target for GTR was budgeted at Rs. 94,765 crore based on freight loading target of 944 million tones and anticipating 7773 million of originating number of passengers. However, in actuals the number of originating passengers remained short of the budgeted target by 36.02 million. This, along with a drop in lead against the budgeted target, adversely impacted the passenger throughput by around 26 billion passenger kms, translating into a shortfall of Rs. 334 crore. Again, during 2011-12, the decrease in the number of originating passengers than anticipated and lesser yield in freight traffic than anticipated are the main reasons for shortfall in targets of GTR. The Committee further note that the trend of shortfall in passenger earnings during the years 2007-08, 2008-09 and 2009-10 continued in the years 2010-11 and 2011-12. During 2010-11, against the target of Rs. 26126 crore, the achievement was Rs. 25793 crore. Besides during 2011-12, the target of Rs. 30456 crore has been revised downward to Rs. 28800 crore. This reflects poorly on the functioning of the Railways. The Committee would like to be assured that whatever might be the constraints, serious efforts will be made to achieve the targets.

Reply of the Government

The target for passenger earnings during the year 2011-12 was fixed at Rs.30456 crores in the Budget estimate. As against this target, the earning during the Financial Year 2011-12 has been Rs.28645.52 crores representing a shortfall of Rs. 1810.48 crores (approximately 5.94%). It was, however, 10.15% higher than the earnings for the corresponding period of the last year.

The approximate numbers of passengers carried in 2011-12 were 8306.16 million which were 0.42% higher than the target of 8271.67 million and 5.29% higher than 7888.91 million passenger carried during the Financial Year 2010-11.

As it may be noted ,while the Budget estimates for number of passengers has been surpassed, even in terms of passenger earnings, an additional growth by 10.15% has been registered over the earnings in the corresponding period of previous year. This increase in passenger earnings has been achieved despite the passenger fares being kept at constant levels. In this context of constant coaching tariff, a 10.15% growth represents a positive growth. However, Indian Railways continuously strive to attract more passengers with a view to augment revenue through the following measures:

- Introducing new trains
- Enhancing the composition of more popular trains
- Extension /increasing frequency of existing trains
- Increasing speed of trains
- Introducing trains with limited stoppage as well as non-stop trains
- Changing timing of trains to suit passenger's convenience,
- Running special trains
- Attaching extra coaches in the existing trains to clear rush

Also regular analysis and reviews are undertaken on quota utilization, occupancy and patronage of trains and accordingly recommend for augmentation of trains having better revenue potential.

Ticket Checking Drives are also conducted with a view to have improved window sale.

All efforts are being made to increase the earnings from other coaching and sundry sources by maximal utilization of Railway resources.

[Ministry of Railways O.M. No. 2012/BC-II/XV/300/2,
Dated 06.08.2012]

Recommendation (Para No. 9)

The Committee note that though the Railways have met the targets for originating passenger and the Passenger Kilometer target, there has been a downward revision in the freight traffic transportation target during the mid-term review of the Plan. As against the XI Plan original and revised targets for Originating Traffic (MT) of 1100 and 1020, respectively, the likely achievement is 970. Likewise, as against the XI Plan original and revised targets for Net Tonne Kilometre (NTKM) (Billion) of 702 and 674, respectively, the likely achievement is 642 for originating traffic (MT). The reason for the shortfall is stated to be the global slowdown and the down-turn in the Indian Economy which had an adverse impact on the Railway's freight loading in the second half of the year 2008-09 and only 1.76% growth was registered. During 2009-10, freight loading was affected due to the restriction imposed by the Government of Odisha on the loading of Iron ore from 5th March 2010. In the year 2010-11, the growth rate in the originating freight loading of the Indian Railways was only 3.77 per cent, primarily on account of the negative growth in Iron ore for export. Iron ore growth was affected on account of extraneous factors like the ban on exports in Karnataka, imposition of various regulations for transportation of ore in the State of Odisha, etc. The continuing ban on iron ore, coupled with the restriction on mining in Karnataka for all ore, the cumbersome process of obtaining clearance from State Government of Odisha, etc. has led to a situation where growth in Export ore loading is (-) 59.41% and for all iron ore including export, growth in loading has been (-) 11.49% during 2011-12 up to February 2012. The Committee express their deep concern over the under-achievement in freight traffic transportation. Needless to say, these bottlenecks have to be dealt with urgency so that the targets are optimally achieved and enough resources are generated for future growth of the Railways.

Reply of the Government

The demand for freight loading on Indian Railways is a derived demand and is dependent on the growth in the economy, especially in the core sector since Railways is primarily a bulk carrier of freight. During the year 2011-12, there has been a slow down in the growth of the core sector to which the Railway freight primarily caters to.

The IIP indices for April-March 2012 show a growth of 4.3% as compared to 6.6% growth in April-March 2011. It is expected that the performance of the Indian Economy especially the core sector to which the Railways freight loading primarily caters, will improve in the year 2012-13.

Indian Railways has been making efforts to maximize the revenue earning freight loading. In order to do so, a number of initiatives have already been taken. Improvement in freight loading performance was achieved with intensive monitoring of freight terminals through a computerized Freight Operation Information System (FOIS) for effective reduction in wagon detention. Review of maintenance practices has also helped in improving the overall availability of wagons. Further, to increase the physical loading gradual proliferation of enhanced axle load running is being resorted to. Special emphasis is being given for removal of bottlenecks to traffic, speedier completion of throughput enhancement works and rapid induction of newer rolling stock. Concept of Distributed Power System & Long Haul on trial basis to overcome capacity constrains over congested/saturated sections has been introduced. Along with this, freight marketing schemes in the form of incentives and discounts are being offered to customers to capture newer traffic thereby increasing loading and revenue.

[Ministry of Railways O.M. No. 2012/BC-II/XV/300/2,
Dated 06.08.2012]

Recommendation (Para No. 10)

The Committee note that the BE for the originating freight loading for the financial year 2012-13 is 1025 million tonnes, and for total number of passenger is 8740.79 million which is 5.6 per cent more than the BE for the Financial Year 2011-12. As submitted, certain steps are being taken to realize the targets, as for example, improvement in freight loading performance was achieved with intensive monitoring of freight terminals through a computerized Freight Operations Information System (FOIS) for effective reduction in wagon detention. Review of maintenance practices has also helped in improving the overall availability of wagons. Further, to increase the physical loading gradual proliferation of enhanced axle load running is being resorted to. Special emphasis is being given for removal of bottlenecks to traffic, speeder completion of throughput enhancement works and rapid induction of newer rolling stock of enhanced capacity. The Committee hope that the Ministry will make concerted efforts for optimal achievement of the targets during 2012-13.

Reply of the Government

The freight loading target for the year 2012-13 has been fixed at 1025 Million tonnes. The freight loading target for 2012-13 has been made keeping in view the developments taking place in various sectors of the economy. Major growth is projected to take place in coal, cement, iron & steel, Containers, Iron ore for steel plants, Foodgrains and raw material to steel plants. Indian Railways will make all efforts to meet the target fixed for the year 2012-13.

[Ministry of Railways O.M. No. 2012/BC-II/XV/300/2,
Dated 06.08.2012]

Recommendation (Para No. 13)

Gauge Conversion

The Committee note with concern that gauge conversion is one of the major areas of shortfall during the 11th Five Year Plan. Against the target to complete 10,000 km of gauge conversion, which was revised downwards to 6000 km at mid-term appraisal of the 11th Plan, the achievement is 5321 km. The reason adduced by the Ministry is shortage of funds which resulted in the slow pace of execution of various railway projects/activities and shortfall in the achievement of targets for gauge conversion. Taking a serious view of the inadequate allocation of funds for gauge conversion, the Committee impress upon the Ministry to take up the issue of adequate financial support to them with the Government so that important projects like gauge conversion are not stalled for want of funds.

Recommendation (Para No. 14)

The Committee are surprised to note that during 2007-08, 2008-09, 2009-10 and 2010-11, the original financial targets for gauge conversion of Rs. 2714 crore, Rs. 2744 crore, Rs. 2054 crore and Rs. 1625 crore respectively, were revised upwards to

Rs.3012 crore, Rs. 3013 crore, Rs. 3156 crore and Rs. 2552 crore respectively. However, the physical target was reduced from 1800 km to 1550 km in 2007-08, from 2150 km to 1566 km in 2008-09, from 1300 km to 1225 km in 2009-10 and in 2010-11 the taget was kept unchanged at 834 km. the Committee would like to be apprised of the reasons for the upward revision of financial allocation vis-a vis the downward revision of physical targets.

Reply of the Government (Para Nos. 13 & 14)

The main reason for downward revision of the targets and upward revision of fund allocation is the wide gap between availability and requirement of funds for execution of projects. As on 01.04.2012, there are 42 ongoing gauge conversion projects requiring about Rs. 18,659 crore for their completion against which an allocation of Rs. 2270 crore has been made during 2012-13. On Indian Railways, about 8000 Km of MG/NG lines are remaining to be converted into BG, out of which 5500 km are already sanctioned and in progress. Remaining 2500 Km are yet to be sanctioned. Railways are committed to its Uni-Gauge policy.

However, there are many other factors which are also responsible for delay in execution of projects such as failure of contracts, adverse monsoon conditions, law and order problems, delay in handing over of land by State Govt., pending Court Cases against land acquisition/less compensation, etc which are beyond the control of Railways.

[Ministry of Railways O.M. No. 2012/BC-II/XV/300/2,
Dated 06.08.2012]

Comments of the Committee

(Please see recommendation para no. 13 of Chapter I)

Recommendation (Para No. 17)

The Committee are apprised that during 2012-13, greater emphasis has been given to doubling as there is lot of congestion on rail routes and traffic movement is getting hindered on account of that congestion. With this end in view, a target of 800 km has been fixed for 2012-13 with an outlay of Rs. 3393 crore. As assured, the progress of the projects would be regularly monitored to ensure their timely completion. The Committee hope that as there is an urgent need for more doubling works, the requisite projects would be implemented with due seriousness.

Reply of the Government

The Committee's recommendation has been noted.

[Ministry of Railways O.M. No. 2012/BC-II/XV/300/2,
Dated 06.08.2012]

Recommendation (Para No.18)

Rolling Stock Capacity Augmentation

The Committee note that though the 11th Plan original targets in respect of Wagons and Locomotives have been achieved, the achievement in respect of the coaches has fallen short of the target. Against the original and revised targets of 22500 and 19863 coaches respectively, the achievement remained only 17085. The reasons adducted by the Ministry for the shortfall in coach production is less acquisition from public/private sector units than the anticipated volume. During 2010-11, against the target of 4000 coaches, the achievement was 3649 coaches. The reason as stated is the non-receipt of coaches from BEML and other sources. Further, in 2011-12, against a target of 3786 coaches, the achievement has been 3637 coaches. The reason for shortfall is stated to be on account of supply chain problems at the RCF. On the prospect of the achievement of target of 3816 coaches during 2012-13, the Committee are informed that coach production from Rai Bareli coach factory will be stepped up in 2012-13. The Committee trust that the Ministry will take all necessary steps to fulfill the target in respect of coaches.

Reply of the Government

Ministry of Railways appreciates the concern expressed by the Committee on fulfilling the target of production. During 2012-13, a total target of production of 3816 coaches has been fixed. The actual production in the production Units is being closely monitored from the beginning of the year to avoid shortfalls. The supply chain in the in-house Production Units on Indian Railways is being firmed up. Necessary action is being taken to step up production of coaches from the Rae Bareli coach factory.

[Ministry of Railways O.M. No. 2012/BC-II/XV/300/2,
Dated 06.08.2012]

Recommendation (Para No.20)

ROBs/RUBs

The Committee note that during 2007-08, 2008-09, 2009-10, 2010-11 and 2011-12 against the allocation of Rs. 551 crore, Rs. 700 crore, Rs. 1000 crore, Rs. 1000 crore and Rs. 1200 crore, respectively, for ROB/RUB projects, the expenditure remained at Rs. 384 crore, Rs. 316 crore, Rs. 541 crore, Rs. 687 crore and Rs. 801 crore respectively. The Committee are not convinced by the reason forwarded to them for underutilization of funds that the progress of ROBs/RUBs depends on several factors like land acquisition, fund availability with State Government, sanction of corresponding work in the State Budget, approval of General Arrangement Drawing (GAD), removal of encroachments, etc. The Committee take a serious view of such an approach in implementation of the projects as these problems could have been overcome with proper planning and coordinated efforts, since, every aspect is considered when a project is sanctioned. The Committee would like to be assured that the Ministry would take all necessary steps to optimally utilize the allocations for ROB/RUB projects.

Reply of the Government

It is observed that from 2008-09, the percentage utilization of funds for construction of ROBs/RUBs is steadily increasing every year and at present the percentage utilization is approximately 70%. As directed by the Esteemed Committee, all necessary steps are being taken for better co-ordination among all agencies involved in the construction of ROBs/RUBs for optimum utilization of funds. Some of the steps taken are as under:

- joint survey with all concerned including State Govt. to finalise the tentative GAD,

- circulation of check list and guidelines for preparation of GAD to State Govt. to avoid any back reference from Railway to State Government.
- standardization of drawings for various spans to avoid delay in designing.
- nomination of nodal officer for single window clearance of GAD from Railway side
- use of pre-cast /pre-fabricated components of the bridge.
- engaging single agency for construction of Railway Bridge as well as the approaches.

[Ministry of Railways O.M. No. 2012/BC-II/XV/300/2,
Dated 06.08.2012]

Recommendation (Para No.21)

Level Crossing (LC)

The Committee note with concern that more than 40 percent of the consequential train accidents, involving 60 to 70 percent of the total casualties occur at unmanned level crossings. For fast track elimination of level crossings in the next five years, it has been decided to set up a Special Purpose Vehicle named Rail-Road Grade Separation Corporation of India and the planning in this regard is being done. The funding of the said Corporation will be from the Road Safety Fund/Central Road Fund. The Committee would like to be regularly kept apprised of the progress made in this regard.

Reply of the Government

Announcement for setting up Special Purpose Vehicle (SPV) named Rail-Road Grade Separation Corporation of India has been done recently. At present, it is at planning stage. Committee will be kept regularly apprised regarding the progress in this regard.

[Ministry of Railways O.M. No. 2012/BC-II/XV/300/2,
Dated 06.08.2012]

Recommendation (Para No.24)

The Committee note that during 2012-13, allocation for ROBs/RUBs is 39 percent more than the previous year's allocation which is for closing of unmanned level crossings. However, the Committee observe from their examination of the allocations in respect of work related to LCs that funds had never been the constraint during the 11th Plan as the same were not fully utilized. The Committee desire that in future the physical targets should have a direct linkage with the available resources. The bottlenecks in this regard should be identified and removed especially in view of the commitment by the Ministry to close about 15000 level crossings during the 12th Five Year Plan.

Reply of the Government

It is true that the availability of fund was not a constraint during 11th Plan for ROBs/RUBs and progress of construction of ROBs/RUBs as well as elimination of LCs is normally increasing every year. However, Railways sanction the ROBs in lieu of level crossings on cost sharing basis with State Govt. As such, completion of ROBs requires positive contribution from State Govt. Sometimes, progress of ROBs/RUBs is hampered due to

- non-availability of fund with State Government,
- late sanction of corresponding work in the State Budget,
- non-submission of General Arrangement Drawing (GAD) and estimate by the State Govt.
- non-availability of encumbrance free land for construction of approaches,

For closure of level crossing, consent of concerned District Magistrate is required and on occasions, it takes a lot of time to get the consent. However, the matter is under continuous monitoring and all efforts are being made to achieve further improvement.

[Ministry of Railways O.M. No. 2012/BC-II/XV/300/2,
Dated 06.08.2012]

Recommendation (Para No. 26)

Passenger amenities

The Committee regret to note that the targets fixed for Model stations, Modern (Touch & Feel) stations, Adarsh stations, World Class stations, and Multi Functional complexes (MFCs) were not achieved. As against the targets of 86 Model stations, 77 Modern (Touch & Feel) stations, 302 Adarsh stations, 2 World Class stations, and 49 Multi Functional complexes (MFCs), the achievement was 24, 41, 149, NIL and 24 respectively. Scarcity of funds is stated to be the reason for the slow progress in development of Model, Modern & Adarsh stations as allocations of Rs. 1100 crore during 2011-12 were revised to Rs. 763 crore. Further, progress of MFCs was affected as long term leasing of land now requires Cabinet approval and with regard to World Class Stations, a review of policy of appointment of Architect & Technical Consultant for preparation of Master Plan & Feasibility Report for development of World Class stations has been undertaken during 2011-12. The committee express their concern over downsizing of allocations and desire that original targets should be kept in mind and downsizing of budgetary allocations should be avoided.

Reply of the Government

The internal resource generation of the Railways was impacted due to implementation of the 6th Pay Commission, increase in rates of diesel and electricity and also due to the growth rate of the economy being lower than expected. Therefore, the Plan investment funded from internal resources had to be regulated. This resulted in the regulation of the allocation under Passenger Amenities being revised downward to Rs. 763 cr. Ministry of Railways has noted the concern of Standing Committee on Railways regarding downward revision of Budget Estimates 2011-12. The Ministry is, conscious of the importance of provisioning for Passenger Amenities and would strive towards proper fund allocation and utilization for achieving the targets.

[Ministry of Railways O.M. No. 2012/BC-II/XV/300/2,
Dated 06.08.2012]

Recommendation (Para No. 27)

The Committee are distressed to note that during 2009-10 and 2010-11, allocation of Rs. 1102 crore and Rs. 1302 crore for passenger amenities was revised downward to Rs. 923 crore and 998 crore and the actual achievement remained at Rs. 906 crore and Rs. 911 crore respectively, which is even less than the revised estimates. The Committee fail to appreciate the reason for the same, viz. underutilization of funds allocated under Depreciation Reserve Fund (DRF) due to slower pace of replacement/ renovation works of passenger amenities in some of the Railways. They earnestly desire that projects taken up for execution must be completed in the given time frame as any delay in their completion would adversely affects the targets, physical as well as financial, of the next year.

Reply of the Government

Ministry of Railways has noted the concern of Standing Committee on Railways regarding downward revision of Budget Estimates (BE) during 2009-10 to 2010-11 and under utilization of funds under Depreciation Reserve Fund (DRF). The Ministry is, conscious of the importance of Passenger Amenities and would strive to achieve the target, physical as well as financial, in subsequent years.

[Ministry of Railways O.M. No. 2012/BC-II/XV/300/2,
Dated 06.08.2012]

Recommendation (Para No.28)

Twelfth Five Year Plan(2012-17)/Annual Plan (2012-13)

The Committee note that a committee headed by Dr. Anil Kakodkar to examine the current standards of safety on Indian Railways have recommended far reaching measures and safety protocols. Further, and expert group head by Shri Sam Pitrada on modernization and resource mobilization has provided a blueprint for the next five years for modernization of Indian Railways. Keeping in mind the recommendations of the above said committees, an investment of Rs. 7.35 lakh crore has been proposed for the 12th Plan which represents a quantum jump over the investment during the

11th Plan of Rs. 1.92 lakh crore. As the Indian Railways has been suffering from serious capacity constraints due to inadequate investment, an attempt has been made to resolve capacity bottlenecks and investment in modernization and safety so that the Railways are able to provide satisfactory services to passengers and customers. The 12th Plan would be financed through Gross Budgetary Support of Rs. 2.5 lakh crore, Govt. Support for national projects of Rs. 30,000 crore, Ploughing back of Rs. 20,000 crore, Internal Resources of Rs. 1,99,805 crore, Extra Budgetary Resources of Rs. 2,18,775 crore and Railway Safety Fund of Rs. 16,842 crore. The Committee hope that the size of the 12th Five Year Plan allocations would be maintained at the proposed level.

Reply of the Government

An outlay of Rs. 7.35 lakh crores has been proposed by Ministry of Railways for the 12th Five Year Plan keeping in view the requirements of the Railways from the point of view of modernization, safety and capacity creation so as to meet the GDP growth projection of 9% in the Planning Commission's Approach Paper for the 12th Five Year Plan and provide satisfactory services to passengers and customers. Since transportation is a derived demand of the economy, the investment required in railways has to be commensurate with the economic growth. Matter is being pursued with Planning Commission for provision of the projected outlay through Gross Budgetary Support while all out efforts are being made to generate the projected Internal Resources and also to garner Extra Budgetary Resources.

[Ministry of Railways O.M. No. 2012/BC-II/XV/300/2,
Dated 06.08.2012]

Recommendation (Para No.29)

The Committee further observe that the Twelfth Five Year Plan aim at capacity creation, network modernization, improvement in productivity and asset utilization, safety, modernization of systems including rolling stock maintenance practices and improvement in quality service. Therefore, adequate outlays have been allocated in respect of Dedicated Freight Corridors, doubling/multiple lines, induction of modern rolling stock and safety (track renewals, signalling and telecom works, construction of ROBs & RUBs to eliminate level crossing), etc. The 12th Plan outlays also include around Rs. 85000 that the Railways would have to spend besides spending on the project through the World Bank loan and through Japan International Cooperation Agency (JICA). The Committee are informed that a Cabinet note is being drafted by the Ministry mentioning their constraints to utilize the existing funds Rs. 24,000 crore which are being given to them through the gross budgetary resources for dedicated freight corridor. And, in case the dedicated freight corridors are to go on the fast track, the Ministry would need an additional funding from the Government of India. The Committee strongly recommend that the Annual Plan allocation be stepped up at the revised estimate stage to give a momentum to the DFC project.

Reply of the Government

Funding of Rs 89,417 Crore is required in the Twelfth Five Year Plan for commissioning the Eastern and western DFCs. Out of this, Rs 10,022 Crore would be mobilized through Public Private Partnership (PPP) for Dankuni - Sonnagar section. Balance funding of Rs 79,395 Crore would be through bilateral/multilateral debt and Gross Budgetary Support.

<u>Debt</u>

(i) World Bank debt – Rs 13,625 Crore for Ludhiana-Khurja-Kanpur-Mughalsarai section of Eastern DFC

(ii) JICA debt – Rs 31,486 Crore for Western DFC
Total debt – Rs 45,111 Crore

<u>Equity</u> for DFC and funds for Land Acquisition through Gross Budgetary Support – Rs 34,284 Crore

All the debt from World Bank and JICA would also be received through the Gross Budgetary Support (GBS).

On an average GBS of Rs 15,879 Crore per year would be required during the Twelfth Five Year Plan for implementing the DFC project. A provision for this has been made in the projection for Twelfth Plan Outlay proposed by Ministry of Railways to Planning Commission.

[Ministry of Railways O.M. No. 2012/BC-II/XV/300/2,
Dated 06.08.2012]

Comments of the Committee

(Please see recommendation para no. 23 of Chapter I)

Recommendation (Para No. 30)

The Committee note that an allocation for 2012-13 has been made of Rs 60,100 crore and it is stated to be the highest ever Plan allocation. At the same time, they note that during 2011-12, an allocation of Rs. 56730 crore was made which is only Rs. 2470 crore i.e. 4.29 percent less than the current year's allocation. The same was, however reduced by Rs. 11,163 crore to Rs 46,467 crore at RE stage mainly on account of the shortfall in internal resource and EBR component of the Plan. The Committee trust that as assured by the Chairman, Railway Board, whatever commitments are made in the Budget, 2012-13 would be fulfilled in the current financial year and the allocated funds of Rs. 60,100 crore would be optimally utilized.

Reply of the Government

The Plan investment of Rs. 60,100 crore for 2012-13 is the highest ever investment proposed after taking into account the expected resource availability during the year from the Gross Budgetary Support, internal resources and market borrowings. Higher allocations for safety and development works have been provided and Railways would make all efforts to optimally utilize the funds. A list of about 250 priority works has been communicated to the zonal railways and funds have been tied to these projects. It is expected the railways would be able to optimally utilize the available plan funds during the year.

[Ministry of Railways O.M. No. 2012/BC-II/XV/300/2,
Dated 06.08.2012]

Recommendation (Para No. 31)

The Committee find to their dismay that the allocation of funds of Rs. 60,100 crore during 2012-13 for various railway projects/activities is grossly inadequate if compared to the overall size of the 12th Five Year Plan of Rs. 7.35 lakh crore. Further, the Gross Budgetary Support (GBS) is only Rs. 24,000 crore against a projected requirement of Rs. 46,170 crore. The Committee regret to note that various projects/schemes would get affected due to lower allocation under GBS like New Lines (including National Projects & DFC Land), Gauge Conversion (including national projects), Doubling, Traffic facilities, computerisation, Rolling Stock, Road Safety, Road Safety-LC, Road Safety-ROB, Track Renewals, Bridge Works, Signalling & Telecommunications, Electrical Projects, Other electrical works, workshops, including PUs, staff quarters, Investment in PUs & Investment in JVs and inventories. For New Lines, the proposed allocation of Rs. 13,838 crore has been drastically reduced to Rs. 6,030 crore, for gauge conversion, proposed allocation of Rs. 3,275 has been reduced to Rs. 2,145 crore, and for doubling, proposed allocation of Rs. 7,095 crore has been reduced to Rs. 3,000 crore. For road safety-ROB, proposed allocation of Rs. 2,477 crore has been reduced to Rs. 1,400 crore. For Track renewals, allocation of Rs. 3000 crore was proposed, however no amount has been provided. For signalling & telecommunications against the proposed allocation of Rs.678.05 crore, only Rs. 150 crore has been provided. The Committee express serious concern at the drastic reduction in allocations for important projects of the Railways. The substantial reduction in the plan outlay, which was assessed by the Ministry as necessary to ensure the required pace for expansion, safety and development work of Railways would result in delays and stretching of projects/schemes for implementation further resulting in their cost escalation. The Committee, therefore, desire that the matter should be seriously taken up with the Ministry of Finance and Planning Commission at the highest level so that the Annual Plan outlays are suitably stepped up at the RE stage.

Reply of the Government

The XII Five Year Plan has not yet been finalized by Planning Commission. Once the Planning Commission conveys its approval of the XII Plan, the matter will be taken up with Planning Commission and Ministry of Finance for revision of the GBS allocation, if required.

[Ministry of Railways O.M. No. 2012/BC-II/XV/300/2,
Dated 06.08.2012]

Recommendation (Para No. 32)

The Committee observe that the then Rail Minister in his Budget Speech had proposed a hike in passenger fares across the board in order to raise financial resources of the Indian Railways internally which are much needed not only for improving passenger amenities but also for safety and development. However, the new rail Minister has announced a roll back of the fare revision in all classes except the premium ones. The Committee note that with the increase now effective only in four classes, passenger earnings are likely to fall short by about Rs.4,250 crore. In order to make good this shortfall, the Ministry would now have to lay more thrust on PPP, try to pick up more resources through IRFC, and control their expenditure. Further, every effort would have to be made to meet demands on the passenger side in order to increase passenger earnings. Though the Committee is quite apprehensive of the earnings of the required level, they earnestly desire that the Ministry should explore all ways and means to make good the shortfall of Rs.4,250 crore due to roll back in passenger fares.

Reply of the Government

Railways are continuously striving for improvement of its financial health by augmenting the revenue receipts and containing the expenditure. In the process and especially taking note of adjustment in passenger fares rationalization proposals, efforts are afoot to achieve a higher growth in volume of passenger traffic through running of special trains, introduction of additional trains, more number of AC coaches, attachment of coaches etc. to accommodate higher passenger demand. Besides, Railways have also initiated action for exploration of avenues to achieve the targeted receipts, which inter-alia includes resource generation from land utilization and through advertisements and publicity, early completion of capacity enhancement projects, aggressive marketing strategies to capture additional freight traffic etc.

[Ministry of Railways O.M. No. 2012/BC-II/XV/300/2,
Dated 06.08.2012]

CHAPTER – III

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

Recommendation (Para No. 4)

The Committee are informed that the Railways have encouraged PPP in areas like connectivity to ports and industrial clusters, setting up of private freight terminals, operation of container trains and special freight trains, Wagon Investment Scheme and exploitation of Railway land and air space. The Committee feel that most of the above said areas may not fructify during the current year and, as such the Committee would desire that the Railways should make concerted efforts to strengthen other areas for revenues generation to meet the requirement of resources.

Reply of the Government

The connectivity to ports and industrial clusters, setting up of private freight terminals, operation of container trains and special freight trains, Wagon Investment Scheme and exploitation of railway land and air space are ongoing activities. Realistic projections have been made and budgeted for in respect of these schemes. Ministry of Railways is confident that the realisation from these schemes will meet the budgeted projection.

[Ministry of Railways O.M. No. 2012/BC-II/XV/300/2,
Dated 06.08.2012]

Recommendation (Para No. 5)

The Committee note that during 2007-08, 2008-09, 2009-10 and 2010-11, the total receipt of the Railways have shown a decline in the actuals as against the Revised Estimates (RE). Against the RE of Rs.74,363.76 crore, Rs.84,233.18 crore, Rs.90,713.07 crore and Rs.97,151.20 crore respectively, the actuals were Rs.73,267.57 crore, Rs.81, 658.98 crore, Rs.89,229.29 crore and Rs.96,681.02 crore, respectively. Further, during 2011-12, the total receipts have been revised downward from 109,393.13 crore (BE) to Rs.106,646.78 crore (RE). The Committee are distressed at this sorry state of affairs in the Railways. Explanations like short fall in traffic receipts, shortfall in passenger earnings, other coaching earnings and sundry earnings, etc., are often cited by the Railways in this regard, which point towards lack of prudent planning and foresight. Though a number of steps are being taken to augment resources of the Railways, yet they have proved to be inadequate and are not able to yield the desired results. The Committee further note that compared to the previous year of 2011-12, the total receipts at the BE stage for 2012-13 is higher by Rs.26,300.76 crore at Rs.135,693.89 crore, which works out to an increase of 24.04 per cent. Keeping in mind the shortfall in achievement of targets the previous years, the Committee are quite apprehensive of the achievement of targets during 2011-12 and 2012-13.

Reply of the Government

It is submitted that as per the latest available information Gross Traffic Receipts (GTR) in 2011-12 at Rs.1,04,133 cr. have exceed the revised target by Rs.306 cr. Freight earnings for the fiscal exceeded the revised target by Rs.950 cr. which partly offset by shortfall in passenger, other coaching sundry earnings.

The target of total receipts for 2012-13 as envisaged in Budget Estimates at Rs.1,35,694 cr. is primarily based on detailed traffic plan framed for the fiscal which envisages 8741 million of originating passengers and an originating freight loading 1025 million tonnes, besides rationalization of freight rates in March 2012 and change in passenger fare structure for 2012-13. Other coaching and sundry earnings for 2012-13 have been assessed at Rs.2,994 cr. and Rs. 4,096 cr. respectively assuming a growth of 10.2% and 12.4% respectively. The target of total receipts for 2012-13 also includes Rs.3004 cr. of subsidy toward dividend relief & other concession to be received from the General Revenues.

Subsequent to presentation of Railway Budget, 2012-13, a partial roll-back of proposed increase in passenger fares has been announced. On the other hand, the target of freight loading for the fiscal has been fixed assuming revival of the overall economy of the country and also keeping in view the capacity enhancement project of the system in progress. Although progress of freight loading will largely be dependent on economic development of the country, Railways are making every effort for achieving a higher growth in volume of passenger traffic through running of special trains, attachment of coaches to accommodate passenger demand. Besides, Railways have also initiated action for exploration of avenues of revenue receipts so as to achieve the targeted receipts, which inter-alia includes resource generation from land utilization and through advertisements and publicity, early completion of capacity enhancement projects, aggressive marketing strategies to capture additional freight traffic etc.

[Ministry of Railways O.M. No. 2012/BC-II/XV/300/2,
Dated 06.08.2012]

Recommendation (Para No. 11)

New Line

The Committee note that from 2007-08 to 2010-11, financial targets were revised upward at RE stage; while the physical targets were revised downwards. During 2007-08, 2008-09, 2009-10 and 2010-11, the original targets were 500 km, 350 km, 250 km and 1000 km, respectively. However, the same were revised downward to 150 km, 250 km, 200 km and 700 km respectively. The achievement was 156 km, 357 km, 258 km and 709 km respectively. The original financial allocation during these years was Rs. 1570 crore, Rs. 1701 crore, Rs. 2922 crore and Rs. 4388 crore, respectively, which was revised upwards at RE stage to Rs. 2681 crore, Rs. 2963 crore, Rs. 3340 crore and Rs. 4991 crore. The Committee would like to be apprised of the reasons for the upward revision of financial allocation vis-a-vis downward revision of the physical targets.

Reply of the Government:

New Lines Projects are having a very long gestation period due to a number of reasons like less availability of funds, large shelf of ongoing projects, land acquisition, forest clearances etc. Projects which are at an advance stage of completion are only included in the targets for the year, but funds provided for these targeted works are only a small percentage of total allocation of New Lines for the year. As such financial targets of any year cannot be directly compared with the physical achievements. The main reason for downward revision of the targets and upward revision of fund allocation is the wide gap between availability and requirement of funds for execution of projects. As on 01.04.2012, there are 132 ongoing new line projects covering a length of 14,212 Km requiring about Rs. 89,732 crore for their completion against which an allocation of Rs. 5425 crore has been made during 2012-13.

[Ministry of Railways O.M. No. 2012/BC-II/XV/300/2,
Dated 06.08.2012]

Recommendation (Para No. 12)

The Committee regret to note that during 2011-12, against the original target of 1075 kms, the achievement is 727 km. The reason for the same is stated to be that funds for doubling and gauge conversion projects were provided through Capital Bonds. Since the money could not be made available through Capital Bonds, financial allocation of new line projects made under 'Capital' was re-appropriated to provide funds for the doubling and gauge conversion projects. The committee are of the view that downward revision of the Plan allocations require re-working of priorities and rescheduling of activities which ultimately lead to tardy progress. The Committee strongly feel that frequent reduction in the Plan allocations must be avoided. The other reason for underachievement of targets is stated to be the slow progress of work due to heavy monsoon, delay in land acquisition, forestry clearance and contractual failures which are not at all convincing. The Committee express the view that procedural delays could have been avoided so as to reduce the shortfall to at least some extent.

Reply of the Government

Despite a severe constraint of resources, a record Target of 1075 km was set for the year 2011-12, which was a little ambitious. Against this target, Railways could achieve 727 Km which in itself is a record and is about 4 times the average annual achievement since independence. Further, doubling and Gauge conversion projects are required to be given due importance to enhance capacity on saturated routes. As a part of dynamic planning, Railways had to resort to re-allocation of resources during respective financial year. There are many other factors which are also responsible for delay in execution of projects such as failure of contracts, adverse monsoon conditions, law and order problems, delay in handing over of land by State Govt., pending Court Cases against land acquisition/less compensation, etc which are beyond the control of Railways.

[Ministry of Railways O.M. No. 2012/BC-II/XV/300/2,
Dated 06.08.2012]

Recommendation (Para No. 15)

The Committee further note that though an allocation of Rs. 2776 crore was made during 2011-12 to execute 1017 km gauge conversion, only 825 km gauge conversion has been done with an expenditure of Rs. 2659 crore (likely) which is only by 4.21 percent less than the allocation made. The Committee would like to be apprised of the matter of allocation of funds vis-à-vis fixation of physical targets.

Reply of the Government

Gauge Conversion Projects are having a very long gestation period due to a number of reasons like less availability of funds, large shelf of ongoing projects, land acquisition, forest clearances etc. Projects which are at an advance stage of completion are only included in the targets for the year, but funds provided for these targeted works are only a fraction of total allocation of New Lines for the year. As such financial targets of any year cannot be directly compared with the physical achievements.

[Ministry of Railways O.M. No. 2012/BC-II/XV/300/2,
Dated 06.08.2012]

Recommendation (Para No. 16)

Doubling

The Committee are sorry to find that during the 11th Plan, a target to complete 6000 km of doubling was fixed, the same was however reduced at RE stage to 2500 km and the achievement is only 2378 kms. Shortage of funds is a major reasons for the slow pace of execution of various Railway projects/activities and shortfall in the achievement in the targets in respect of doubling. The Committee are of the view that shortage of funds for an important rail project like doubling would adversely affect the growth of the Railways. Hence, funds should be allocated to the project at the required level.

Reply of the Government

The main reason for downward revision of the targets is the wide gap between availability and requirement of funds for execution of projects. As on 01.04.2012, there are 174 ongoing doubling projects covering a length of 9,015 Km requiring about Rs. 38,766 crore for their completion against which an allocation of Rs. 3438 crore has been made during 2012-13.

[Ministry of Railways O.M. No. 2012/BC-II/XV/300/2,
Dated 06.08.2012]

Recommendation (Para No.22)

The Committee are informed that the work of manning, provision of lifting barriers and basic infrastructure the main aspects of safety at LC for Railways as well as road users. The Committee find that during 2007-08, 2008-09, 2009-10, and 2010-11, out of the allocation of Rs. 500 crore, Rs. 600 crore, Rs. 700 crore and Rs. 700 crore, the utilization was to the level of Rs. 186 crore, Rs. 250 crore, Rs. 359 crore and Rs. 414 crore, respectively. The Committee regret to note that during 2011-12, the allocation of Rs. 800 crore had been revised downward to Rs. 652 crore. Against the target, of manning/elimination of 2045 unmanned gates, 1806 unmanned gates were manned/eliminated during the year; hence there is a shortfall of 239 LCs. In case of provision of lifting barrier, against a target of 160, 114 nos. have been completed and there is a shortfall of 46 LCs. In case of provision of basic amenities against the target of 1011, 928 gates have been completed and there is shortfall of 83 LCs. The Committee are dissatisfied with the slow progress in this regard as it is directly related to the safety of the people. They urge the Ministry to make proactive and vigorous efforts to utilize the funds to the full extent so as to optimally achieve physical targets.

Reply of the Government

From the above data, it is reflected that the expenditure for level crossing is increasing continuously. Efforts are being made for optimum utilization of funds. The progress of elimination of level-crossings in year 2007-08, 2008-09, 2009-10, 2010-11, 2011-12 is 594, 633, 933, 706, 962 nos. respectively. The progress of elimination of LCs in two months in 2012-13 is 111 nos. The scope for provision of lifting barrier and provision of basic amenities is reducing. Efforts will be made to complete these two works in coming years.

[Ministry of Railways O.M. No. 2012/BC-II/XV/300/2,
Dated 06.08.2012]

Recommendation (Para No. 25)

Rail Research

The Committee note that during 2007-08, 2008-09, 2009-10, 2010-11 and 2011-12, the original financial allocation of Rs.60 crore, Rs.62 crore, Rs.61 crore, Rs.78 crore and Rs.71 crore, respectively, was revised downward to Rs.22 crore, Rs.38 crore, Rs.39 crore, Rs.42 crore and Rs.39 crore, respectively. However, the actual are Rs.20 crore, Rs.24 crore, Rs.44 crore, Rs.44 crore and Rs.38.92 crore respectively. The Committee find to their dismay that the Ministry is far behind in achieving the projected targets. The reason for the underachievement of targets during 2011-12 is stated to be less than expected progress of some of the research projects and contracts at RDSO. The Committee are anguished over the under-utilisations of funds allocated for Rail Research during the 11th Plan and want the Ministry to take corrective measures in this regard so that the same story is not repeated in the 12th Five Year Plan and funds of Rs.68 crore for allocated Rail Research during 2012-13 are fully utilised.

Reply of the Government

The funds allocated for Railway Research during 2012-13 have been revised from Rs.68.11 crore to Rs. 58.11 crore. The Ministry would like to assure the Committee that it is committed for timely completion of research projects and full utilisation of budget allotment. Regular monitoring at highest level at RDSO is being done to achieve this objective.

[Ministry of Railways O.M. No. 2012/BC-II/XV/300/2,
Dated 06.08.2012]

CHAPTER-IV

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

Recommendation (Para No.19)

Rolling Stock Capacity Augmentation

The Committee are informed that the Ministry have tried to address the problem of shortage of coaches by setting up new manufacturing plants. The plant at Rai Bareli is almost ready and it will be the third railway production unit for manufacture of coaches, after ICF Perambur and RCF Kapurthala which together are manufacturing almost 3,000 to 3,200 coaches per year. This plant will also progressively graduate to manufacturing 1000 coaches per year. Then two coach factories at Palakkad, the foundation stone of which has already been laid, will come up on PPP basis. Then there will be one in Kutch area and one in Karnataka as Railway's own production unit. The Railways are also procuring coaches from four production units outside, that is from the open market and they give about 400 to 500 coaches every year. The Committee would like to be informed of the progress in respect of the above said upcoming manufacturing units.

Reply of the Government

The progress in respect of the said upcoming manufacturing units is as under:

Rail Coach Factory at Raebareli

The work of setting up of Rail Coach Factory/Raebareli has been given to IRCON for execution. The construction work for the Phase-I of the project has been completed and the work of painting, furnishing, assembly and testing of LHB design coaches has commenced during 2011-12. The construction work and procurement of Machinery and Plant for Phase-II (Shell manufacturing shop, Bogie shop, Wheel shop, Administration block, staff & officers colony) has already started and is progressing satisfactorily. 18 coaches are ready in all respect.

Rail Coach Factory at Palakkad

The work of setting up of one Rail Coach Factory at Palakkad in Kerala has been included in Railway Budget 2012-13 for seeking Parliamentary approval. The factory with an annual production capacity of 400 coaches, is proposed to be set up as a Joint Venture at an estimated cost of Rs. 550 crores (excluding cost of land). After necessary approvals, Ministry of Railways shall purchase land for the factory from Government of Kerala for leasing it to the Joint Venture. Work for award of contract for bid process management in this case will also be taken up after the project is approved.

Rail Coach Factory in Kutch area of Gujarat

Rail Coach Factory in Kutch area of Gujarat has been announced in the Railway Budget 2012-13. Western Railway has been instructed to co-ordinate with Kandla Port and State Government for deciding the terms and conditions under which the land can be acquired for this project. Mode for financing and administering the unit will be decided thereafter.

Rail Coach Factory at Kolar in Karnataka

Rail Coach Factory at Kolar in Karnataka has been announced in the Railway Budget 2012-13. South Western Railway has been instructed to co-ordinate with the State Government for the suitability of the land identified by the State Government for this project and work out the modalities for transfer of the land to Railways. Mode for financing and administering the unit will be decided thereafter.

[Ministry of Railways O.M. No. 2012/BC-II/XV/300/2,
Dated 06.08.2012]

Comments of the Committee

(Please see recommendation para no. 16 of Chapter I)

Recommendation (Para No.23)

The Committee are given to understand that unmanned gates, where infrastructure is ready would be manned with sanction of the new post of gateman though recruitment during 2012-13. The Committee would like to be informed of the number of unmanned gates where infrastructure is ready and are awaiting sanctioning of posts. The Committee are constrained to point out that the whole exercise has no meaning when the infrastructure for manning the gates is ready but cannot be put to use because of absence of manpower.

Reply of the Government

It is informed that infrastructures are ready at 539 level crossings but could not be manned for want of the sanction of the post of Gatemen. Employees, appointed on compassionate ground, who are fit to work as Gatemen are being deputed as Gatemen, to the extent possible. Recruitment process is also on to fill up the existing vacancies of Gangmen & Gatemen.

[Ministry of Railways O.M. No. 2012/BC-II/XV/300/2,
Dated 06.08.2012]

Comments of the Committee

(Please see recommendation para no. 19 of Chapter I)

Recommendation (Para No. 33)

The Committee learn that the Ministry of Railways had received directions from the Cabinet Secretariat vide letter dated 21.3.2011 that a policy regarding transfer or alienation of land held by the Government or Statutory authorities, etc is being framed and in the meanwhile, all Ministries/Departments are to seek specific approval of the Cabinet in each case of sale or long term lease of land belonging to the Government or Government controlled statutory authorities. As per the submission of Chairman, Railway Board, during evidence, the Railways had been waiting for Cabinet approval as their multi-functional complexes are ready but they are not being able to exploit them commercially. As per the written submission, a Cabinet note for permitting development of Railway land by Rail Land Development Authority for augmenting revenues is under process; views of the Ministry of Finance on the same are awaited. The Note for approval of Cabinet will be sent for consideration of Cabinet on receipt of the views of Ministry of Finance. The Committee desire that the matter should be pursued with the Ministry of Finance more vigorously so that the their efforts to garner resources through the PPP mode would bear fruit.

Reply of the Government

Views of Ministry of Finance have been received. Final Note for approval of Cabinet is under preparation.

[Ministry of Railways O.M. No. 2012/BC-II/XV/300/2,
Dated 06.08.2012]

Comments of the Committee

(Please see recommendation para no. 26 of Chapter I)

CHAPTER-V

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

--- NIL ---

NEW DELHI;
<u>17</u> **<u>April, 2013</u>**
27 **Vaisakha, 1935 (Saka)**

T.R. BAALU
Chairman,
Standing Committee on Railways

<u>APPENDIX-I</u>

MINUTES OF THE EIGHTH SITTING OF THE STANDING COMMITTEE ON RAILWAYS (2012-13)

The Committee sat on Friday, the 5th April, 2013, at 1100 hrs. in Committee Room No. G-074, Parliament Library Building, New Delhi.

PRESENT

SHRI T.R. BAALU - CHAIRMAN

MEMBERS

<u>LOK SABHA</u>

2. Dr. Ram Chandra Dome
3. Shri Pralhad Joshi
4. Dr. Nirmal Khatri
5. Shri Surendra Singh Nagar
6. Shri Anand Prakash Paranjpe
7. Shri Rayapati Sambasiiva Rao
8. Shri Rudra Madhab Ray
9. Smt. Satabdi Roy
10. Shri Ganesh Singh
11. Shri Lalji Tandon
12. Shri Harsh Vardhan

<u>RAJYA SABHA</u>

13. Shri Husain Dalwai
14. Shri Prabhat Jha
15. Dr. Barun Mukherji
16. Shri Ambeth Rajan
17. Shri Tarini Kanta Roy
18. Shri Bashistha Narain Singh
19. Shri Ishwar Singh
20. Shri Nandi Yellaiah

<u>SECRETARIAT</u>

1.	Shri K. Vijayakrishnan	-	Joint Secretary
2.	Shri Abhijit Kumar	-	Director
2.	Shri Arun K. Kaushik	-	Additional Director

** ** ** **

2. At the outset, the Chairman welcomed the Members to the sitting of the Committee. Thereafter, the Committee took up for consideration the following draft Reports and adopted the same without any modifications:

(i) Action taken by the Government on the recommendations/ observations of the Committee contained in their 14th Report on the 'Demands for Grants - 2012-13 of the Ministry of Railways';

(ii) ** ** ** **

(iii) ** ** ** **

3. The Committee also authorized the Chairman to finalise the Reports and present the same to Parliament.

4. ** ** ** **

The Committee then adjourned.

APPENDIX-II

ANALYSIS OF ACTION TAKEN BY GOVERNMENT ON THE RECOMMENDATIONS/OBSERVATIONS CONTAINED IN THE 14th REPORT (15TH LOK SABHA) ON 'DEMANDS FOR GRANTS (2012-13) OF THE MINISTRY OF RAILWAYS'

	Total number of Recommendations/Observations	33
(i)	Recommendations/observations which have been accepted by the Government: Para Nos. 1, 2, 3, 6, 7, 8, 9, 10, 13, 14, 17, 18, 20, 21, 24, 26, 27, 28, 29, 30, 31, and 32	22
	Percentage of total	66.66%
(ii)	Recommendations/observations which the Committee do not desire to pursue in view of the Government's replies: Para Nos. 4, 5, 11, 12, 15, 16, 22, & 25	8
	Percentage of total	24.24%
(iii)	Recommendations/observations in respect of which replies of the Government have not been accepted by the Committee and which require reiteration:Para Nos. 19, 23, and 33	3
	Percentage of total	9.63%
(iv)	Recommendations/observations in respect of which final replies of Government are still awaited Para No. Nil	NIL
	Percentage of total	0%
