

**GOVERNMENT OF INDIA
MINISTRY OF RAILWAYS**

**LOK SABHA
UNSTARRED QUESTION NO. 1706
TO BE ANSWERED ON 21.09.2020**

REORGANISATION OF RAILWAYS

1706. SHRI NALIN KUMAR KATEEL:

Will the Minister of RAILWAYS be pleased to state:

- (a) whether the Union Government has set up any Expert committees to seek suggestions for the reorganization of the Railways;**
- (b) if so, the details thereof;**
- (c) whether the said Expert committee has submitted any recommendations in this regard;**
- (d) if so, the details of the recommendations made by the committee;**
- (e) whether the Government has accepted the recommendations made by the Expert committee;**
- (f) if so details thereof; and**
- (g) if not, the reasons therefor?**

ANSWER

**MINISTER OF RAILWAYS AND COMMERCE & INDUSTRY
(SHRI PIYUSH GOYAL)**

(a) to (g): Yes, Sir. Ministry of Railways had constituted a Committee in 2014 on mobilization of resources for major Railway projects and Re-organisation of Ministry of Railways and Railway Board under the chairmanship of Shri Bibek Debroy. The Committee had presented its report and recommendations sent to Ministry of Railways in June 2015.

Some of the recommendations have already been acted upon/ partially acted upon and the remaining are under examination. The details of the recommendations of the Committee along with the status are appended.

APPENDIX- REFERRED TO IN REPLY TO PARTS (a) to (g) OF UNSTARRED QUESTION NO. 1706 BY SHRI NALIN KUMAR KATEEL TO BE ANSWERED IN LOK SABHA ON 21.09.2020 REGARDING REORGANISATION OF RAILWAYS

(a) to (g): The details of the relevant recommendations of Debroy Committee with status are as under:

S. No	Recommendation details	Status
1.	<p>Railway Board to function like Corporate Board for IR- Policy by MoR, competition to be ensured by RRAI</p>	<p>Partially acted upon. Railway Board has been re-organised on functional lines. Resolution for setting up of Rail Development Authority(RDA) has been notified. RDA has been envisaged as an advisory/recommendatory body. RDA is yet to be operationalized. However in the context of the limitation, being advisory in nature, a regulatory mechanism with statutory backing is being considered to meet the requirement of changing scenario like private passenger train operators and other public private partnership ventures. Accordingly a study is being undertaken.</p>
2.	<p>Composition of Board should be a) Member Traction and Rolling stock; b) Member Passenger and Freight Business; c) Member HR and Stores; d) Member finance and PPP; e) Member Infrastructure and two outside and independent experts. Board Members and GMs should have at least three (3) years of service left.</p>	<p>Re-organisation of Railway Board on functional lines as per the decision of Union Cabinet done in September 2020, as under;</p> <p>a) Chairman and Chief Executive Officer(CEO); b) Member Infrastructure; c) Member Traction and Rolling Stock; d) Member Operation and Business Development; e) Member Finance.</p> <p>i) A residual service of one year has been laid down for the posting of Members & Chairman.</p> <p>ii) A residual service of 2 years has been laid down for the post of General Managers and</p>

		equivalent.
3.	Re-organise Group-A services into 2 streams - Logistics & Technical and merging of Railway Board Secretariat Service(RBSS) with Central Secretariat Service(CSS).	Government in December 2019 has approved, inter alia, creation of a new group –A central service called Indian Railway Management Service(IRMS), merger of existing 8 organized services into IRMS and reorganization of Railway Board. The modalities will be finalized in consultation with DOP&T and approval of Alternative mechanism. Merging of Railway Board Secretariat Services(RBSS) with Central Secretariat Services (CSS) is under examination.
4.	Re-organization/rationalisation of Zones and Divisions to reduce their total numbers	Under Examination.
5.	Empowerment of General Managers of Zonal Railways - Full powers for expenditure, re-appropriations and sanctions, subject to meeting earnings targets. Zones should become independent and autonomous and may even compete among themselves.	As regards re-appropriations, Board has issued relaxation in the delegation of powers of re-appropriation to General Managers on 16.02.2017, whereby the Zones are now empowered to re-appropriate any amount of fund from one work to another, within same plan head and within same source of funds. Further relaxation of these powers is under consideration of Board.
6.	Decentralisation to Division level; Divisions to be treated as independent business unit and DRMs to be empowered for handling all types of tenders of the division.	Significant autonomy and empowerment has been given to zones and divisions since 2017 by way of delegation of administrative and financial powers.
7.	Integrate and synergise works such as cleaning, IT initiatives, etc.	Acted upon.
8.	Zonal Construction organisations to be brought under umbrella of one or more PSUs like RVNL, IRCON	Presently there is no such issue under consideration.
9.	Setting up of an independent Rail Regulator-separate budget and	Partially acted upon. Railway Board has been re-organised on functional

	<p>independent of MoR; with powers of regulation of tariff, safety, fair access, service standards, licensing/enhancing competition and technical standards; Regulator will have quasi judicial powers.</p>	<p>lines. Resolution for setting up of Rail Development Authority(RDA) has been notified. RDA has been envisaged as an advisory/recommendatory body. RDA is yet to be operationalized. However in the context of the limitation, being advisory in nature, a regulatory mechanism with statutory backing is being considered to meet the requirement of changing scenario like private passenger train operators and other public private partnership ventures. Accordingly a study is being entrusted to enable rail regulatory mechanism with statutory backing including authorization of any existing regulator.</p>
<p>10.</p>	<p>Implementation of account reforms within 2 years</p>	<p>Ministry of Railways has embarked upon Accounting Reforms Project wherein Accrual Accounting is now being rolled out on all Indian Railways to prepare its financial statements on Accrual basis in addition to cash based Financial Statements. In addition pilot studies on Performance Costing and Outcome Budgeting are also initiated on Northern Railway.</p>
<p>11.</p>	<p>Setting up of Indian Railway Manufacturing Company (IRMC) b. Rail Budget to be phased out c. Bifurcation of Infrastructure & Operations.</p>	<p>Partially acted upon. Railway Budget has been merged with the General Budget.</p>
<p>12.</p>	<p>NAIR should be assigned the status of University for in service training and also for imparting education/training in the field of management offering specializations in the various areas like HR, Finance, Marketing, Communications, Branding, Logistics, etc.</p>	<p>National Rail Transportation Institute (NRTI), a deemed University, has been operationalized at Vadodara from September 2018.</p>

<p>13. IR should have a vibrant performance assessment system driven by enhanced objectivity and transparency. IR should institutionalize credible, transparent and fair mechanisms for recognition and award of excellence in the organisation.</p>	<p>New performance appraisal system has been introduced on the basis of DOP&T's instructions.</p>
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